

Opportunistic Fixed Income Request for Information

Data as of: March 31, 2020
Due Date for RFI: June 1, 2020

Marquette Contact: Mike Spsychalski
Recipient Email: openrfp@marquetteassociates.com

I. Firm

- 1) Please provide the year your firm was established and give a brief history of your firm.
- 2) Please provide the organization's name, and the name, title, address, phone number, fax number, and email address of the individual who will be our primary contact.
- 3) Please provide the address and website of the firm's headquarters and all branch offices.
- 4) Please comment on the financial solvency of your firm.
- 5) Do you have any firm debt?
- 6) What is the amount of firm debt?
- 7) What are the plans, with timeframe described, to pay off the firm debt?
- 8) What is the minimum asset level required for your firm to remain profitable? Please be specific.
- 9) Please provide a brief description of your firm's plans for growth, such as asset growth, personnel growth, succession planning, over the next 3-5 years.
- 10) Please give succession plans for key employees if retirements are planned within 5 years.

II. Ownership

- 11) Please discuss your general ownership structure, including what percentage of your firm is owned by current active employees.

12) Have there been any changes in the ownership structure of your firm in the past five years? If yes, please explain in detail.

13) Please explain any known or potential changes in firm ownership or personnel.

III. Client Breakdown

14) Please provide the firm’s and product’s breakdown by clients as of the current date (as measured by % of assets under management) using the following format. Please provide a brief explanation as to the contents of “other.”

	Corporate	Foundation/ Endowment	HNW/ Family	Insurance/ Financial	Mutual Fund	Public
Firm						
Product						

	Religious	Taft- Hartley	Sub- Advisory	Wrap*	Other
Firm					
Product					

15) Please provide the firm’s and product’s breakdown by clients as of the current date (as measure by # of clients under management) using the following format. Please provide a brief explanation as to the contents of “other.”

	Corporate	Foundation/ Endowment	HNW/ Family	Insurance/ Financial	Mutual Fund	Public
Firm						
Product						

	Religious	Taft- Hartley	Sub- Advisory	Wrap*	Other
Firm					
Product					

16) Please provide the approximate client turnover in the *firm* using the format below.

2013	2014	2015	2016	2017	2018	YTD

# of Clients Gained							
Assets (\$MM) Gained							
# of Clients Lost							
Assets (\$MM) Lost							

17) Please provide the approximate client turnover in the *product* using the format below.

	2013	2014	2015	2016	2017	2018	YTD
# of Clients Gained							
Assets (\$MM) Gained							
# of Clients Lost							
Assets (\$MM) Lost							

18) Please provide the following information on the product's client breakdown:

	Assets (in Millions)
Average Client Size:	
Largest:	
Smallest:	

IV. Investment Professionals

Firm Specific:

- 19) Please provide brief biographies of the investment professionals (analysts/portfolio managers/traders) in the firm.
- 20) List ownership and % held by the investment professionals of your firm.
- 21) List directorships or board positions held by investment professionals at other firms.
- 22) Please discuss the compensation plan of the investment professionals. Please distinguish the differences between the portfolio manager's compensation and analyst compensation.
- 23) Please specifically describe whether the bonus plans are based on asset growth, investment performance, or some combination. If any or part of the compensation is based on investment performance, please specifically cite the performance

measurement (performance vs. peers, vs. benchmark) and the time period involved (1 year, 3 years, or a weighted measurement).

- 24) Are the investment professionals under employment contracts with the firm?
- 25) What are the terms of the employment contracts, including non compete clauses?
- 26) Discuss all turnover of investment professionals (analysts/portfolio managers/traders/marketers) in the firm during the last three years.
- 27) Is your firm represented by any third party firm or individual whose purpose is marketing and/or gathering assets for the firm? If so, list all relationships and compensation structure.
- 28) Are you a registered minority (at least 51% minority owned) investment manager? If so, please attach state or local registration.

Product Specific:

- 29) Please provide brief biographies of the investment professionals (analysts/portfolio managers/traders/operational due-diligence personnel) on this product.
- 30) What is the estimated percentage of time each professional devotes solely to this product?
- 31) Do your investment professionals invest their own assets in this product?
- 32) Does the day-to-day portfolio manager have more than one-third of his or her liquid net worth invested in this product?

V. Products Offered

33) What are the total assets for the various investment products offered by your firm using the following table:

Product	Assets Under Management (in millions)					Availability: CF, SA, or MF
	2015	2016	2017	2018	YTD	

- 43) Are you a registered investment advisor? Please attach a copy of your ADV Part II.
- 44) Please provide a brief description of any past or pending regulatory action, litigation, or other legal proceedings involving the firm or any registered employees and/or principals as defendants in the last 5 years.
- 45) Are you currently or have you been in the last 5 years out of compliance with the DOL? If yes, please explain thoroughly.
- 46) Are you currently or have you been in the last 5 years out of compliance with the SEC? If yes, please explain thoroughly.
- 47) Are you currently or have you been in the last 5 years out of compliance with any regulatory agency? If yes, please explain thoroughly.
- 48) Has your firm been audited by the SEC, DOL, or any regulatory agency in the past 5 years?
- 49) When was your last audit, please be specific by month and year, by the SEC, DOL or any regulatory agency?
- 50) Please explain any and all findings on your most recent SEC audit, including minor deficiencies. Please attach a copy of the SEC Review findings and firm responses.
- 51) Do you have a dedicated compliance officer?
- 52) Are you a registered investment advisor? Please attach a copy of your ADV Part II
- 53) What is your firm's Errors & Omissions (E&O) Insurance policy limit in millions? Please attach proof of E&O Insurance coverage.
- 54) Does your compliance officer serve other roles within the firm? If so, please describe.
- 55) Who is the firm's independent auditor?
- 56) How long has the firm's independent auditor been serving in this capacity?
- 57) Who is the firm's legal counsel or do you use an in-house legal team?
- 58) Please provide brief biographies for your legal counsel, indicating how long they have been serving in this capacity.
- 59) Please describe your firm's disaster recovery and business continuity plans.

- 60) Please address the most recent date and the numbers of times you have practiced and tested your procedures in the past 5 years, and the results of those exercises.
- 61) Please provide a copy of your firm's disaster recovery and business continuity procedures.
- 62) Please address your back-up capabilities and/or offsite location, particularly related to your trading desk, in the event your primary office location was inaccessible.
- 63) What is your firm's personal trading policy?
- 64) What are your procedures for personal trading policy violations?
- 65) How many violations of your personal trading policy have occurred in the past 12 months? Please describe the nature of each violation.
- 66) What software, systems and/or processes ensure client-specific guidelines and regulations are adhered to?

VII. Trading and Soft Dollars

- 67) Please describe your firm's policy on soft dollar trading.
- 68) If your firm utilizes soft dollar, please list the top five brokers utilized in the **last calendar year**:

Broker
1)
2)
3)
4)
5)

- 69) If your firm utilizes soft dollars, please rank by dollar value, in descending order, your top-five soft dollar relationships within the last year:

Item/Vendor	Dollar Value (\$)
1)	
2)	
3)	
4)	
5)	

- 70) If a client requests no soft dollars be used in the construction of their separate account, can you comply?
- 71) If you didn't use soft dollars, what impact would that have on portfolio performance and trading costs?
- 72) Please describe the trading platforms utilized by your firm's trading desk
- 73) Do you utilize minority-owned brokerage firms for trades?
- 74) Please provide a list of the minority-owned brokerage firms you utilize.
- 75) Are you conducting step-outs or direct trades with minority-brokerage firms? Please indicate the breakout of step-outs to direct trades.
- 76) What percentage of your firm's actual trades are with minority-owned brokerage firms?
- 77) Please discuss your portfolio manager's interaction with your trading desk.
- 78) How are orders communicated, does the portfolio manager specify prices, etc.

VIII. Product Investment Process

79) Please provide a complete review of your firm's investment methodology for the product and the decision making process. Please comment specifically on:

- Top-down versus bottom-up analysis, if appropriate
- Initial loan universe/benchmark
- Liquidity criteria
- Credit Research
- Security selection criteria
- Buy/sell decision
- Sector weightings
- Number of portfolio holdings
- Duration positioning
- Yield Curve positioning
- Loan Structure decisions

80) Please provide the closest estimate of the decision making process of the product by weighting the following factors:

	Percent
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Economic Outlook	
Sector Selection	
Security Selection	
Total	100%

- 81) Against what benchmark is the product evaluated?
- 82) Do you think this is the appropriate benchmark or would you prefer an alternate benchmark? If so, please discuss.
- 83) Does the product invest in out of benchmark securities (such as high yield bonds)? If yes, please discuss the types of securities, typical and maximum weightings, and investment rationale (e.g. relative value, economic outlook, etc.).
- 84) Please discuss the product's philosophy towards managing default risk. If possible, please backup response with data.
- 85) Have there been any changes to the product's investment process over the past five years? If yes, please describe in detail.
- 86) Please discuss your risk analysis and control methodology.
- 87) Are lien (first, second, etc.) weightings determined relative to a benchmark? If so, which benchmark and what is the range relative to the benchmark?
- 88) Please describe portfolio credit quality:

% Portfolio	Current	3 Year Min.	3 Year Max
AAA/Aaa			
AA/Aa			
A			
BBB/Baa			
BB/Ba			
B			
CCC/Caa			
CC/Ca			
C			
D			
Not Rated			
Total	100%	---	---

- 89) Please provide the annual dollar weighted default rates and number of defaults for the product compared to the product's benchmark. Please show data for the past

10 calendar years, or inception, whichever is longer.

90) What part(s) of your process add the most value? Please provide backup data on your answer.

91) Does this product utilize leverage? If so, how is the leverage applied?

92) Please discuss your assessment of the current market outlook and how your firm plans to provide superior performance for clients in the years ahead.

93) What distinguishes your firm from other investment managers with respect to this product?

IX. Fees, Security, and Other

94) What is your standard fee schedule for this product? Please list “Marquette client” fees, including minimum account sizes and breakpoints, for all vehicles (separate account, CIT, LP, LLC, mutual fund) available for this strategy. Please complete the following table for all commingled funds for this strategy.

Fund/Vehicle Name & Type (CIT, LP, etc.)	Onshore/ Offshore	3c1/3c7	ERISA Eligible?	ERISA Capacity	DB Eligible?	DC Eligible?	Non-ERISA Eligible?	Liquidity

95) What is the current Most Favored Nations Policy?

96) How do you ensure compliance with this policy?

97) Describe the firm’s security environment. Specifically cover the physical, digital security, and policy measure safeguards that you have put in place to control access to portfolio reporting systems and client account information.

98) Describe your firm’s approach to securing email and web communications.

99) How does your firm defend against cyber attacks?

100) How does your firm secure mobile devices such as phones, tablets, and laptops?

- 101) Have you had your security assessed by a third party? If so, when was this last completed and by which provider?
- 102) Has your firm ever had a data security breach? If so, please describe the incident as well as the corrective actions.
- 103) Please provide three references, including contact phone number and email address. Please include, at least, one current and one former client in your references.

X. Attachments and Disclosure

Please check off items included as attachments. If any **required** items are excluded, please indicate an alternate means for our review of requested items.

Required	Included?
ADV Part II	_____
SEC Review Findings Letter	_____
Disaster Recovery and Business Continuity Plans	_____
Code of Ethics	_____
Proof of E&O Insurance Coverage	_____

Include, if Applicable	Included?
State or Local Registration for M/WBE	_____
GIPS Verification Letter	_____

Chief Compliance Officer Signature

I, chief compliance officer of _____, have reviewed all of the aforementioned statements and documents. To the best of our ability, we believe all statements and documents to be accurate, truthful and timely.

Signature

Print Name