

**Park Employees' Annuity and Benefit Fund of Chicago Request for Competitive Proposal:
Minority Investment Advisor**

I. OVERVIEW

The Park Employees' Annuity and Benefit Fund of Chicago (the “Fund”) hereby issues a request for competitive proposals (“RFP”) from qualified, Minority Investment Advisory firms¹ interested in providing investment management services as a fiduciary for an **international equity portfolio** (the “Respondents” or “Advisers”) in order to diversify the Fund’s non-U.S. equity investments and complement existing advisers within the asset class. The relative performance benchmark for this mandate will be the MSCI ACWI ex US. All forms needed for submitting a response to this RFP are available on the Fund’s website at <http://www.chicagoparkpension.org/RFP.html>. **Respondents to this RFP are responsible for monitoring the Fund’s website for information pertaining to the RFP, while the RFP is outstanding.**

II. RFP TIMELINE

A. Date of Issue:	December 7, 2017
B. RFP Submission Due Date:	January 15, 2018

III. RFP PROCEDURES

The Fund will post the RFP and all related materials on the Fund’s website (<http://www.chicagoparkpension.org/RFP.html>) at least 30 days before the response to the RFP is due. Qualified Advisers that do not receive an RFP from the Fund or the Fund’s Consultant are encouraged to compete and may obtain the RFP document from the Fund’s website. Neither this RFP nor any response to this RFP should be construed as a legal offer.

All interested Advisers must submit their responses in accordance with the proposal submission instructions below. The Fund reserves the right to reject any or all proposals submitted and to solicit additional proposals. All material submitted in response to the RFP will become the property of the Fund. The Fund is not responsible for any costs incurred by the Respondents in responding to this RFP.

The Board of Trustees’ designee and the Fund’s Consultant, will review each response for content, quality and compliance with the RFP’s requirements. The Fund will compile a list of all Respondents to the RFP, identifying which responses are complete and incomplete.

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

¹ “Minority Investment Advisory” firm means a qualified investment adviser that is minority-owned, female-owned or owned by a person with a disability, as those terms are defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, 30 ILCS 575/2.

necessary, the Fund may extend the due date and time of the proposals to accommodate any additional information requirements.

Respondents are advised that the Fund is a public body subject to, and proposal materials are subject to, the Illinois Freedom of Information Act (5 ILCS 140). After completion of the RFP, selection by the Fund and successful negotiation of a contract, if any, all proposals may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the Illinois Freedom of Information Act for information within the Respondents' proposals must identify relevant language as confidential, and identify in the email transmission of the proposal whether confidential information is included. Further, each page of confidential documentation must be labeled as such. The Respondent must also specify which statutory exemption applies for each piece of confidential information. The Freedom of Information Act can be found at the Illinois General Assembly's website (<http://www.ilga.gov/>).

The Fund reserves the right to make determinations of confidentiality. If the Fund disagrees with a Respondent's confidential designation, it may either reject the proposal or discuss its interpretation of the exemptions with the Respondent. If agreement can be reached, the proposal will be considered. If agreement cannot be reached, the Fund will remove the proposal from consideration.

Candidates will be evaluated pursuant to the evaluation factors set forth in Section 5 of the Fund's Procurement Policy for Investment Advisers, dated July 16, 2015, which can be found on the Fund's website (<http://www.chicagoparkpension.org/Policies.php>). Following review and evaluation of complete responses from interested Respondents, the field of candidates will be narrowed to a smaller list of the most highly qualified Respondents. The Board's designee and Consultant may meet with representatives of each Respondent to obtain an independent assessment of the Respondent's capabilities.

Following any interviews with the selected Respondents, the Board's designee and Consultant will prepare Respondent recommendations for approval by the Board. The finalists may appear before the Board of Trustees to present their firms' qualifications. The Board of Trustees will accept or modify the recommendation and make a selection, if appropriate..

The Fund will conduct the RFP process in accordance with applicable provisions of the Illinois Pension Code, the applicable portions of the State Officials and Employees Ethics Act, and the Fund's Procurement Policy.. .

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

IV. PROPOSAL SUBMISSION

The Fund's Consultant shall oversee the RFP process. If Respondent is interested in submitting a proposal, Respondent must submit an electronic copy of the complete proposal by **3:00 PM, CDT, January 15, 2018** to:

Mike Spsychalski
Marquette Associates, Inc.
E-mail: mspsychalski@marquetteassociates.com

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

ANY PROPOSAL RECEIVED AFTER THE DUE DATE AND TIME WILL NOT BE CONSIDERED.

PROPOSALS MUST CONTAIN THE FOLLOWING DOCUMENTS:

- A. Transmittal Letter. A transmittal letter must be submitted on the Respondent's official business letterhead. The letter must identify all documents provided collectively as a response to the RFP, and must be signed by an individual authorized to bind the Respondent contractually. **An unsigned proposal will be rejected.** The letter must also contain the following:
 - Statement that the proposal is being made without fraud or collusion; that the Respondent has not offered or received any finder's fees, inducements or any other form of remuneration, monetary or non-monetary, from any individual or entity relating to the RFP or the Respondent's proposal, or the selection of a finalist.
 - Statement that discloses any current business relationship or any current negotiations for prospective business with the Fund or any Fund Trustee or Fund Staff. Trustees and Staff are listed on the Fund's website (http://www.chicagoparkpension.org/Board_1.php).
- B. Minimum Qualification Certification. The Respondent must complete the certification and provide all supporting documentation.
- C. Questionnaire. The Respondent must address the questionnaire items in the RFP in the order in which they appear in the RFP. Further, each question number and question in the RFP shall be repeated in its entirety before stating the answer. Please note that certain questions require supporting documentation. This additional documentation should be submitted as attachments to the questionnaire.
- D. Appendix I. The Respondent must complete the excel data sheet referenced in Appendix I.

V. SCOPE OF SERVICES

The Respondent, a qualified investment adviser, will directly manage assets for the Fund in either commingled fund or mutual fund for an active international equity portfolio mandate. The benchmark for the portfolio is the MSCI ACWI ex US.

VI. POST PERFORMANCE REVIEW

Any Respondent retained by the Fund will undergo quarterly performance reviews of the Respondent's compliance with agreement objectives and deliverables. Evidence of material non-compliance will be reviewed by the Fund's Staff and Consultant, as well as the Board of Trustees, if necessary.

VII. MINIMUM QUALIFICATION REQUIREMENTS AND CERTIFICATION

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

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

1. Respondent is an investment adviser registered with the Securities and Exchange Commission under the federal Investment Advisers Act of 1940.
(Yes/No):_____ If yes, please provide ADV Forms I and II.
2. Respondent and its proposed team have all authorizations, permits, licenses and certifications required by federal and state laws and regulations to perform the services specified in this RFP at the time Respondent submits a response to the RFP.
(Yes/No):_____
3. Respondent has a certification from the State of Illinois² or another state as a minority investment adviser? (Yes/No):_____
If yes, please provide proof of certification from the State of Illinois or another state.
If no, Respondent is in the process of obtaining certification from the State of Illinois or another state and acknowledges that such certification must be obtained prior to any contract formation with the Fund? (Yes/No): _____
4. The allocation for this international equity mandate will be approximately **\$15 million**. If retained for investment advisory services, Respondent agrees to sign a Most Favored Nations clause. (Yes/No):_____

² A "State of Illinois certification" is a certification granted by the Illinois Department of Central Management Services to a Minority Business Enterprise, a Female Business Enterprise or a Person with Disabilities Enterprise under the Business Enterprise Program for Minorities, Females, and Persons with Disabilities.

5. The investment vehicles that will be considered for this international equity mandate will be Commingled Funds and Mutual Funds only. Firms only offering separately managed accounts will not be considered. Respondent currently offers a mutual fund or commingled fund vehicle for the international equity strategy being proposed. (Yes/No):_____
 6. Respondent has at least **\$5 million** in Errors & Omissions Insurance. (Yes/No):_____ If yes, please provide evidence.
 7. If retained for investment advisory services, Respondent must agree in writing to serve as a fiduciary as defined by the Illinois Pension Code. (Yes/No):_____
 8. Respondent must agree to comply at all times with the Fund's Ethics Policy, which can be found on the Fund's website (<http://www.chicagoparkpension.org/Policies.php>). (Yes/No): _____
 9. Respondent acknowledges that this RFP is being conducted pursuant to the Fund's Procurement Policy for Investment Advisers, dated July 16, 2015, which can be found on the Fund's website (<http://www.chicagoparkpension.org/Policies.php>) and Respondent agrees to comply with the Procurement Policy. (Yes/No): _____
 10. Respondent shall provide in its response to this RFP the disclosures required by Section 4(j)(i-iv) of the Fund's Procurement Policy for Investment Advisers dated July 16, 2015 (Yes/No): _____
 11. Respondent has reviewed the Fund's Investment Policy, which is subject to change and which can be found on the Fund's website (<http://www.chicagoparkpension.org/Policies.php>), and agrees that, if retained, Respondent can provide investment advisory services in furtherance of the Investment Policy. (Yes/No):_____
 12. Respondent must comply with the Fund's Broker/Dealer Trading Policy set forth in the Fund's Investment Policy. (Yes/No): _____
 13. Respondent must agree to execute and comply with the Fund's standard Investment Management Agreement, which is attached as Exhibit A to this RFP, or to state any objections to the standard Investment Management Agreement (amendments to the standard Investment Management Agreement are strongly disfavored). (Yes/No):

- If Respondent does not agree to execute and comply with the Fund's standard Investment Management Agreement, then specify your objections.
14. Respondent agrees to provide the services as detailed in the Scope of Services section of this RFP and any other requirements as stated in this RFP. (Yes/No):_____

15. Respondent maintains sufficient procedures and capabilities necessary to ensure the timely and accurate backup and full recovery for all computers and other data storage systems. (Yes/No): _____

If yes, please provide a complete description of these procedures and capabilities, including your firm's disaster recovery and business continuity plan.

IF RESPONDENT PROVIDED A "NO" RESPONSE TO ANY OF THE MINIMUM QUALIFICATION REQUIREMENTS ABOVE (EXCEPT FOR PARAGRAPH 13), RESPONDENT SHOULD NOT SUBMIT A PROPOSAL TO THE FUND.

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

Authorized Signer Name: _____

Title: _____

Respondent Firm: _____

Signature: _____

Date: _____

VIII. QUESTIONNAIRE – All data should be as of September 30, 2017

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 the Fund's 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 and succession planning) over the next three to five years.
- 10) Please give succession plans for the firm's key employees if retirements are planned within five years.

Ownership

- 11) Please discuss the firm's 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.

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 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 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:	

Investment Professionals

Firm Specific:

- 19) Please provide brief biographies of the investment professionals (i.e., analysts, portfolios managers and traders) in the firm.
- 20) List ownership and % held by the investment professionals of your firm.
- 21) List directorships or board positions held by the investment professionals of other firms.
- 22) Please discuss the compensation plan of the investment professionals. Please distinguish the differences between portfolio manager compensation and analyst compensation.
- 23) Please specifically describe whether the firm's 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 (e.g., performance vs. peers, vs. benchmark) and the time period involved (e.g., 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 (i.e., analysts, portfolio managers, traders and marketers) in the firm during the last 3 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.

Product Specific:

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

Products Offered

32) 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
	2012	2013	2014	2015	2016	

33) What is the minimum account size for a separately-managed portfolio for all your firm's products? Please specify by product.

Compliance

34) Please attach a copy of your firm's Code of Ethics.

- 35) Is your firm affiliated with a broker dealer?
- 36) Is your firm compliant with GIPS® Standards?
- 37) Has your firm contracted with an outside firm to conduct a GIPS® verification? If yes, please indicate the last verification year and name of outside firm and provide the most recent verification letter.
- 38) 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 10 years.
- 39) Is your firm, including its principals, currently or has it been in the last 10 years been investigated or audited in any manner by the U.S. Department of Labor? If yes, please explain thoroughly.
- 40) Is your firm, including its principals, currently or has it been in the last 10 years been investigated in any manner by the SEC? If yes, please explain thoroughly.
- 41) Is your firm, or its principals, currently or has it been in the last 10 years been investigated or audited in any manner by any regulatory agency? If yes, please explain thoroughly.
- 42) Please explain any and all findings on your firm's most recent SEC audit, including minor deficiencies. Please attach a copy of the SEC Review findings and the firm's responses.
- 43) Does your firm have a dedicated compliance officer?
- 44) Does your firm's compliance officer serve other roles within the firm? If so, please describe.
- 45) Who is the firm's independent auditor?
- 46) How long has the firm's independent auditor been serving in this capacity?
- 47) Who is the firm's legal counsel or does your use an in-house legal team?
- 48) Please provide brief biographies for your firm's legal counsel, indicating how long they have been serving in this capacity.
- 49) Please address the most recent date and the numbers of times you have practiced and tested your firm's disaster recovery and business continuity procedures in the past five years, and the results of those exercises.

50) 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.

51) What is your firm's personal trading policy?

52) What are your firm's procedures for personal trading policy violations?

53) How many violations of your firm's personal trading policy have occurred in the past 12 months? Please describe the nature of each violation.

54) What software, systems and/or processes ensure client-specific guidelines and regulations are adhered to?

Trading and Soft Dollars

55) Please describe your firm's policy on soft dollar trading.

56) If your firm utilizes soft dollar, please list the top five brokers utilized in the **last calendar year**:

Broker
1)
2)
3)
4)
5)

57) 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)	

58) If your firm didn't use soft dollars, what impact would that have on portfolio performance and trading costs?

59) Please describe the trading platforms utilized by your firm's trading desk.

60) Does your firm run a 24-hour desk to trade on international exchanges? Please describe how your firm breaks out these duties among the trading staff.

- 61) Please describe your firm's process for selecting and monitoring broker/dealers and how you ensure transaction prices reflect "best execution."
- 62) Please describe how your firm monitors trading costs.
- 63) How are trades allocated among accounts?
- 64) For those trades executed with full service proprietary brokers, please describe products/services received with commission dollars beyond trade execution.
- 65) Please describe your firm's evaluation process of products/services received with commission dollars.
- 66) Please describe the trading methodology utilized for foreign exchange (FX) transactions. How does your firm monitor execution of FX transactions?
- 67) What steps does your firm take to monitor the FX execution of restricted currencies?
- 68) Does your firm utilize minority-owned brokerage firms for trades? If so, what percentage of trades have been made through minority-owned brokerage firms in the past 12 months?
- 69) Please provide a list of the minority-owned brokerage firms your firm utilizes.
- 70) Is your firm conducting step-outs or direct trades with minority-brokerage firms? Please indicate the breakout of step-outs to direct trades.
- 71) Please discuss your portfolio manager's interaction with your trading desk.
- 72) How are orders communicated, does the portfolio manager specify price, etc.

Product Investment Process

- 73) 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
 - Investment Philosophy
 - Initial stock universe/benchmark
 - Market capitalization criteria
 - Liquidity criteria
 - Stock selection criteria
 - Buy/sell decision
 - Sector weightings

- Country weightings
- Number of portfolio holdings
- Average portfolio turnover

- 74) Against what benchmark do you evaluate your product?
- 75) Does your firm think that the Fund's benchmark is the appropriate benchmark or would the firm prefer an alternate benchmark? If so, please discuss.
- 76) What part(s) of your firm's processes add the most value? Please provide backup data on your answer.
- 77) What are your firm's primary research sources and how much research is internally/externally generated?
- 78) Has there been a time when the product significantly underperformed its benchmark over a consecutive three-quarter period? If so, please explain.
- 79) Has there been a performance time period that best highlights your firm's investment style? If yes, please explain in detail.
- 80) Have there been any changes to the product's investment process over the past five years? If yes, please describe in detail.
- 81) Please discuss your firm's risk analysis and control methodology.
- 82) Are sector weightings determined relative to a benchmark? If so, what is the range relative to the benchmark?
- 83) Will there ever be a time when a sector is not represented?
- 84) At what asset level, if any, will your firm close this product?
- 85) Please discuss your firm's assessment of the current market outlook and how your firm plans to provide superior performance for clients in the years ahead.
- 86) What distinguishes your firm from other investment managers with respect to this product?
- 87) What can be expected from the product in a bull market? In a bear market?
- 88) Please list the holdings overlap (number and % of assets) between your firm's various products, using the following table:

	Product A		Product B		Product C		Product D		Product E	
	#	%	#	%	#	%	#	%	#	%
Product A										
Product B										
Product C										
Product D										
Product E										

Fees and Other

89) What is your firm’s standard fee schedule for this product?

90) What is your firm’s current Most Favored Nations Policy?

91) How do you ensure compliance with this policy?

92) Please advise whether your portfolio’s investment policy allows for investments in companies that do business in Iran, Sudan or any other terrorist supported countries. If so, what percentage of your portfolio do such companies typically represent?

Would your firm be willing to sign an affidavit confirming that the strategy does not own or control any asset located in Sudan and does not conduct business operations in Sudan?

93) Please provide three references, including contact phone number and email address. Please include, at least, one current and one former client in your references.

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	_____

Include, if Applicable	Included?
State or Local Registration for MWDBE	_____
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

Appendix I

Please complete the excel datasheet, titled International Equity Data Sheet 3Q17 and submit as a separate attachment to this RFP.

INVESTMENT MANAGER AGREEMENT

THIS INVESTMENT MANAGER AGREEMENT ("Agreement"), made the ____ day of _____, 20__, is by and between _____ (the "Investment Manager") and the Retirement Board of the PARK EMPLOYEES' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO ("Fund"), a governmental retirement system established pursuant to the laws of the State of Illinois.

WITNESSETH:

WHEREAS, pursuant to 40 ILCS 5/1-109/1, the Retirement Board may appoint one or more investment managers or investment advisers (referred to herein as "Investment Manager") as fiduciaries to manage, including the power to acquire and dispose of, any assets of the Fund; and

WHEREAS, the Retirement Board identified a need for an investment manager to manage a certain portion of the Fund's assets; and

WHEREAS, a description of the services to be performed, the need for services, the qualifications necessary, and the plan for post-performance review are set forth herein and in the Investment Guidelines attached to this Agreement; and

WHEREAS, in compliance with its procedures, the Retirement Board voted to appoint the Investment Manager as an investment manager for a portion of the Fund's assets based on the Fund's need and the Investment Manager's qualifications; and

WHEREAS, the Investment Manager agrees to act as an investment manager in accordance with the terms of 40 ILCS 5/1-101, et seq. and 40 ILCS 5/12-101, et seq. and with the terms of this Agreement;

NOW, THEREFORE, the Retirement Board and the Investment Manager agree as follows:

Section 1. Appointment of Investment Manager

- A. Pursuant to 40 ILCS 5/1-109.1, and this Agreement, the Retirement Board hereby appoints the Investment Manager to invest and reinvest in cash, cash equivalents, fixed income, equity type securities, and other instruments, of such portion of the Fund's assets as the Retirement Board shall decide from time to time, the proceeds from the sale of such assets, and the income due and appreciation attributable to such assets,

less any assets the Retirement Board may withdraw, from time to time. Any such portion(s) of the Fund's assets shall, for purposes of this Agreement, be referred to as the "Sub-Account". The Investment Manager shall for all purposes herein provided be deemed an independent contractor, and, unless otherwise expressly authorized or provided, shall not have authority to act for or represent either the Fund or the Retirement Board in any way or otherwise be deemed an agent of either the Fund or the Retirement Board.

- B. The Investment Manager hereby accepts such appointment and acknowledges that it is a fiduciary with respect to the Fund and the Sub-Account, and agrees to provide such investment management services with respect to the Fund in accordance with this Agreement.
- C. Subject to this Section, the Investment Manager may, in its full discretion and without obligation on its part to give prior notice to the Retirement Board: (i) buy, sell, exchange, convert, tender and otherwise trade in any stocks, bonds or other securities or instruments; and (ii) open brokerage and trading accounts and execute transactions through such accounts established with such brokers or dealers as the Investment Manager may in its sole discretion select, except to the extent otherwise directed by the Retirement Board in writing; provided, however, that all such activities shall be conducted in a manner consistent with the Investment Manager's fiduciary duties, and other obligations hereunder, under Article 1 of the Illinois Pension Code and under the Employee Retirement Income Security Act of 1974, (hereinafter "ERISA"), even though the Fund itself is exempt from the requirements of ERISA. The Investment Manager may, using such of the securities and other property in the Sub-Account as the Investment Manager deems necessary or desirable, direct the Custodian to deposit for the Sub-Account original and maintenance brokerage and margin deposits and otherwise direct payments of cash, cash equivalents and securities and other property into such brokerage accounts and to such brokers as the Investment Manager deems desirable or appropriate, provided that such directions are consistent with the terms of this Investment

Management Agreement. The Retirement Board has directed the custodian of the Fund's assets, identified in Section 20 of this Agreement, ("Custodian") to act in accordance with the instructions of the Investment Manager. Title to all assets in the Sub-Account shall at all times be registered in the name of the Fund, or the name of the Custodian or its nominee for the account of the Fund, and the indicia of ownership of all assets in the Sub-Account shall at all times be maintained in trust by the Custodian. The Investment Manager shall at no time have custody of or physical control over the Sub-Account. The Investment Manager shall not be liable for any act or omission of the Custodian.

- D. Cash held in the Fund pending direction from the Investment Manager shall be invested and reinvested by the Custodian in its short-term investment fund.
- E. The Investment Manager shall act in accordance with this Agreement; the applicable requirements of: the Illinois Pension Code, including but not limited to 40 ILCS 5/1-110, 40 ILCS 5/12-101, et seq; and the PEABF Ethics Policy which is attached hereto and incorporated by reference herein as Exhibit A.

Section 2. Investment Guidelines

- A. The Fund's Statement of Investment Objectives and Guidelines for the Sub-Account (hereinafter referred to as the "Investment Guidelines") have been provided to the Investment Manger and are attached hereto and incorporated by reference herein as Exhibit B.
- B. The Investment Guidelines and other relevant policies of the Fund are subject to change, and the Retirement Board shall advise the Investment Manager with respect to any amendment of such Investment Guidelines or policies. The Investment Manager will not be held liable to the Fund for non-compliance with any amendment to the Investment Guidelines or policies if the Retirement Board fails to advise the Investment Manager of such amendment.
- C. The Investment Manager shall recommend to the Retirement Board any material changes to the Investment Guidelines it deems appropriate or necessary.

Section 3. Standard of Care

- A. As a fiduciary, the Investment Manager shall perform its duties hereunder 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 Investment Manager, subject at all times to the duties and obligations set forth in this Investment Management Agreement and the attached Exhibits, shall diversify the assets in the Sub-Account so as to minimize the risk of large losses unless under the circumstances it is clearly imprudent to do so.
- C. The Investment Manager shall discharge its duties hereunder with respect to the Fund and the Sub-Account solely in the interest of, and for the exclusive purpose of providing benefits for, the Fund's beneficiaries.
- D. The Investment Manager shall not engage in any transaction involving the Fund or the Sub-Account that would constitute a non-exempt prohibited transaction under Section 406 of ERISA or 40 ILCS 5/1-110.
- E. The Investment Manager shall make every reasonable effort to not make investments that would generate unrelated business taxable income for an entity that is exempt under Section 501(a) of the Internal Revenue Code.

Section 4. Representations, Warranties and Covenants of the Investment Manager

- A. The Investment Manager represents and warrants to the Retirement Board that it is registered and shall remain registered as an investment adviser or that it is a bank, as defined in the Investment Advisers Act of 1940. The Investment Manager shall promptly advise the Fund if at any time during the term of this Investment Management Agreement there is a change in such status.
- B. Pursuant to Section 5/1-113.14 of the Illinois Pension Code the Investment Manager acknowledges that it is a "fiduciary" with respect to the Fund and the Sub-Account within the meaning of the Illinois Pension Code, and specifically agrees to perform all of its duties and obligations under this Agreement as a fiduciary. The Investment Manager

further warrants that none of the disqualifications described in Section 411 of ERISA apply to the Investment Manager.

- C. The Investment Manager represents and warrants that all statements made and materials provided to the Fund in response to the Fund's search for an investment adviser, which resulted in the Fund and the Investment Manager entering into this Agreement, were true and complete. The Investment Manager shall also be subject to 40 ILCS 5/1-135.
- D. The Investment Manager represents and warrants that it shall secure and maintain at all times during the term of this Agreement a blanket fidelity bond or bonds in the amount of \$_,000,000. In addition, the Investment Manager shall secure and maintain at all times during the term of this Agreement a bond complying with the requirements of ERISA in the amount of \$500,000, with the Fund as the designated insured party. A certificate confirming the bonds shall be provided to the Retirement Board in December of each year. The Investment Manager also acknowledges that the Retirement Board may require the Investment Manager to secure and maintain additional blanket fidelity bond coverage. The Investment Manager agrees that, upon the Retirement Board' request, the Investment Manager shall obtain additional blanket fidelity bond coverage in the amount of and pursuant to the terms and conditions established by the Retirement Board for similarly situated investment managers managing assets of the Fund.
- E. The Investment Manager represents and warrants that it shall secure and maintain at all times errors and omissions insurance in the minimum amount of \$_,000,000. A certificate of insurance with respect thereto shall be provided to the Retirement Board in December of each year. The Investment Manager also acknowledges that the Retirement Board may require the Investment Manager to secure and maintain additional errors and omissions insurance. The Investment Manager agrees that, upon the Retirement Board request, the Investment Manager shall obtain additional errors and omissions insurance coverage in the amount of and pursuant to the terms and conditions established by the

Retirement Board for similarly situated investment managers managing assets of the Fund.

- F. The Investment Manager agrees to provide notice within seven (7) days of receipt of a notice of cancellation of either the fidelity bond(s) or the errors and omissions insurance coverage set forth in Paragraphs (D) and (E) of this Section. The Investment Manager further agrees that there will be no “prior acts” exclusion in the event of any change in either the fidelity bond(s) or errors and omissions insurance policies or the insurance company or companies providing such bond(s) or policies.
- G. The Investment Manager agrees to notify the Retirement Board and its investment consultant in writing within five (5) business days of any material changes in the portfolio manager for the Sub-Account or any legal actions instituted against the Investment Manager involving the investment of securities or of any investigations, examinations, or other proceedings commenced by any governmental regulatory agency which are not either conducted in the ordinary course of Investment Manager’s business or conducted as part of an industry sweep or other fact-finding related inquiry.
- I. H. Pursuant to Section 1-113.14(c) of the Illinois Pension Code, the Investment Manager has disclosed in writing the names and addresses of the following persons or entities: (i) any entity that is a parent of, or owns a controlling interest in, the Investment Manager, (ii) any entity that is a subsidiary of, or in which a controlling interest is owned by, the Investment Manager, (iii) any persons who have an ownership or distributive income share in the Investment Manager that is in excess of seven and one-half percent (7.5%), or (iv) serves as an executive officer of the Investment Manager. The Investment Manager has further disclosed, the names and addresses of all of its subcontractors, including any third-party marketers, if applicable, and the expected amount of money each will receive under this Agreement. The term subcontractor, as used herein, does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy-voting services, and services used to track compliance with legal standards.

- J. Pursuant to Section 1-113.21 of the Illinois Pension Code, on or about each September 1st the Investment Manager shall disclose the number of its investment and senior staff and the percentage of that staff who are a minority person, a female, or a person with a disability. Further, the Investment Manager shall disclose the number of contracts for investment, consulting, professional, and artistic services the Investment Manager has with a minority or female owned business, or a business owned by a person with a disability. The Investment Manager shall also disclose the number of contracts for investment, consulting, professional, and artistic services which the Investment Manager has with a business other than a minority or female owned business, or a business owned by a person with a disability, if more than 50% of the services performed pursuant to that contract are performed by a minority person, a female, or a person with a disability. For the purposes of this subsection, the terms “minority person”, “female”, “person with a disability”, “minority owned business”, “female owned business”, and “business owned by a person with a disability” have the same meaning as those terms have in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act. For the purposes of this subsection, the terms “professional service” and “artistic service” have the same meanings as those terms have in 30 ILCS 500/1-15.60.
- K. The Investment Manager shall comply with all applicable laws of the State of Illinois and the United States of America, and any applicable governmental or regulatory authority outside of the United States. Regulatory reports required under laws applicable to the Investment Manager by any regulatory authority shall be the sole responsibility of the Investment Manager.
- L. To the fullest extent permitted under applicable law and notwithstanding any other provision of this Agreement, the Investment Manager shall indemnify and hold harmless the Retirement Board and the Fund, including its employees and agents, for, from and against any losses, damages, costs and expenses (including but not limited to reasonable attorneys’ fees, judgments, fines, and amounts paid in settlement) incurred as the result of the Investment Manager’s breach of this Agreement. Notwithstanding the

foregoing, no indemnified party hereunder shall be entitled to indemnification to the extent that any such loss was directly caused by such party's own gross negligence or willful misconduct.

- M. All disclosures and representations made by the Investment Manager during the procurement and selection process are adopted and incorporated herein by reference (the "Investment Manager Disclosures"; attached as Exhibit C). The Investment Manager further acknowledges that it will promptly notify the Fund, in writing, if at any time during the term of this Agreement the information contained in the Investment Manager Disclosures changes.
- N. The Investment Manager shall furnish to the Retirement Board, from time to time, evidence as the Retirement Board may reasonably request that the Investment Manager satisfies and continues to satisfy the foregoing requirements. The Investment Manager shall promptly notify the Retirement Board if it has reason to believe that any of the foregoing representations, warranties or covenants may cease to be satisfied.

Section 5. Representations and Warranties of the Retirement Board

- A. The Retirement Board represents and warrants to the Investment Manager that the Retirement Board is a fiduciary authorized to enter into this Agreement and to appoint the Investment Manager as its investment manager in accordance with the terms hereof and that the person executing this Agreement for and on behalf of the Retirement Board is authorized to do so.
- B. The Retirement Board represents and warrants to the Investment Manager that if another entity should be substituted for the Custodian as custodian of the Fund's assets, the Retirement Board shall promptly notify the Investment Manager of such substitution and the substituted entity will thereafter be deemed to be the Custodian for purposes of this Agreement.
- C. The Retirement Board represents and warrants to the Investment Manager that it has received a copy of the Investment Manager's ADV Part II within forty-eight (48) hours prior to the execution of this Agreement.

- D. The Retirement Board represents and warrants to the Investment Manager that, as a fiduciary, it is responsible for assuring the Fund's Investment Guidelines are prudent for the Fund's assets.
- E. The Retirement Board represents and warrants to the Investment Manager that the decision to allocate any of the Fund's assets to the Sub-Account is solely the responsibility of the Retirement Board and is independent of the Investment Manager's fiduciary responsibilities as established pursuant to this Agreement.
- F. The Retirement Board represents and warrants to the Investment Manager that it has determined that the initial investment of the Fund's assets in the Sub-Account satisfies applicable provisions of Illinois law.
- G. The Retirement Board represents and warrants to the Investment Manager that the Investment Manager is responsible for diversification or investment requirements applicable to the Fund's assets allocated to the Sub-Account only, and not to the Fund's assets as a whole.
- H. The Retirement Board represents and warrants to the Investment Manager that the Fund is qualified under Section 414(d) of the Internal Revenue Code of 1986 as a governmental plan.

Section 6. Securities and Foreign Exchange Transactions

Securities and, if permitted by the Investment Guideline, foreign exchange transactions in respect of the Sub-Account shall be made directly to or from the Custodian at the direction of the Investment Manager. Securities and foreign instructions from the Investment Manager to the Custodian shall be made electronically (via SWIFT) as agreed to by the Custodian and the Investment Manager.

Section 7. Reports; Meetings

- A. The Retirement Board shall cause the Custodian to provide the Investment Manager with monthly reports concerning the status of the Sub-Account, and such reports from the Custodian shall constitute the principal record of the Sub-Account for all purposes of this

Agreement, including but not limited to, the calculation of the Investment Manager's fees to be paid.

- B. With respect to the Sub-Account, the Investment Manager shall provide the Retirement Board and its investment consultant with, inter alia: on a monthly basis, confirmations of all transactions; a monthly summary of the performance of the Sub-Account; a quarterly summary of returns on investments, including gross and net returns on investments after payment of all fees, commission and other compensation; a monthly report on brokerage activity; an annual report, as provided for in Section 11 herein, regarding the voting of proxies, if any, during a year; an annual report within forty-five (45) days after the end of each calendar year containing a detailed statement of the affairs of the Sub-Account, including its income and expenditures and assets and liabilities (calculated in accordance with generally accepted accounting principles); an annual statement of all sums paid to the Fund's investment consultant or its affiliates for conferences, consulting services, brokerage commissions, or for any other purpose, as well as a statement of all such sums paid within the last five (5) years; and all other reports, which are mutually agreeable to the Investment Manager that the Retirement Board or its investment consultant may reasonably request from time to time.
- C. The Investment Manager shall, on at least a monthly basis, reconcile the Sub-Account's market value, income earned, and transaction activity as reported by the Custodian with the records of the Investment Manager. The Investment Manager shall communicate the differences to the Custodian in a timely manner. Resolution of differences is the responsibility of the Investment Manager and the Custodian. The Investment Manager is responsible for notifying the Retirement Board as soon as reasonably possible of unresolved discrepancies between the Investment Manager's records and those of the Custodian. The records of the Custodian shall be the authoritative source for all purposes under this Agreement.
- D. The Retirement Board and the Investment Manager shall meet periodically, at such times as the Retirement Board may reasonably request, concerning the Sub-Account.

Section 8. Services to Other Clients

- A. It is understood that the Investment Manager performs investment advisory services for various clients. The Retirement Board agrees that the Investment Manager may give advice and take action with respect to any of its other clients which may differ from the advice given to, or the timing or nature of action taken with respect to, the Sub-Account, provided that the Investment Manager allocates investment opportunities among clients on a fair and equitable basis and in accordance with applicable federal regulations.
- B. Nothing in this Agreement shall impose any obligation on the Investment Manager to purchase or sell, or to recommend for purchase or sale, any security which the Investment Manager, its principal affiliates, or its employees may purchase or sell for its or their own accounts or for the account of any other client.

Section 9. Allocation of Brokerage

- A. Subject to the terms of the Illinois Pension Code and to the Fund's Brokerage Guidelines which are attached hereto and incorporated by reference herein as Exhibit D, the Investment Manager is authorized to place orders for the execution of securities transactions for the Sub-Account with or through such brokers or dealers as the Investment Manager may select.
- B. The Investment Manager may allocate transactions to brokers or dealers for execution on markets, at such prices and at such commission rates as, in the good faith judgment of the Investment Manager, will be in the best interest of the Fund, taking into consideration in the selection of such brokers or dealers not only the available prices and rates of brokerage commissions in the industry, but also other relevant factors, including but not limited to execution capabilities, and, subject to the following sentence, research services provided by such brokers or dealers which are expected to enhance directly the capabilities of the Investment Manager to serve the Fund. All services provided to the Investment Manager for commissions paid in connection with Fund transactions shall satisfy the requirements of Section 28(e) of the Securities Exchange Act of 1934 and the requirements and restrictions relating to the payment of commissions for the provision of

such services under laws applicable to employee benefit plans that are subject to ERISA. Securities transactions may not be executed through the facilities of the Investment Manager or its affiliates unless expressly authorized by the Retirement Board. The Retirement Board agrees that the Investment Manager may aggregate sales and purchase orders of securities held in the Sub-Account with similar orders being made simultaneously for other portfolios managed by the Investment Manager if, in the Investment Manager's reasonable judgment, such aggregation shall result in an overall economic benefit to the Sub-Account, taking into consideration the advantageous selling or purchase price, brokerage commission and other expenses, and trading requirements. In accounting for such an aggregated order, price and commission shall be averaged on a per-bond, share or other applicable unit basis daily. The Retirement Board acknowledges that the Investment Manager's determination of such economic benefit to the Sub-Account is based on an evaluation that the Sub-Account is benefited by relatively better purchase or sales prices, lower commission or other transaction expenses and beneficial timing of transactions, or a combination of these and other like or unlike factors.

Section 10. Log of Brokerage Transactions

The Investment Manager shall maintain and make available to the Retirement Board a log of all transactions placed through all securities brokerage firms, which reflects the name of the firm, a description of each transaction including the amount and securities involved, the date and time of each transaction, and the amount of fees and commissions paid.

Section 11. Proxy Voting

The Investment Manager shall exercise the fiduciary responsibility for voting all proxies, if any, which are solicited in connection with the Sub-Account. Subject to the Investment Manager's oversight, the Investment Manager is authorized to delegate the research, voting and record keeping of proxies to a third-party designee ("Designee") provided that

the Designee acknowledges in writing its fiduciary status to the Fund and abides by the applicable terms of this Agreement. The Investment Manager shall also be responsible for making all elections in connection with any mergers, acquisitions, tender offers, bankruptcy proceedings, or other similar occurrences, which may affect the Sub-Account, but it is not authorized to or responsible for initiating or responding to any legal proceedings on behalf of the Sub-Account, including, but not limited to, filing or responding to any class action claims related to a holding in the account. The Investment Manager shall instruct the Custodian or Designee to forward to the Investment Manager all communications received by the Custodian or Designee including proxy statements and proxy ballots duly executed by the Custodian or Designee. If applicable, the Investment Manager agrees to provide the Retirement Board with an annual statement of the Investment Manager's proxy voting policies and a summary of how the Fund's proxies were cast. The summary shall include the following information: the company in which the Fund had the right to cast proxies, the meeting date for the vote, the shareholder of record date, the number of shares voted, an issue identification number (if any), the recommendation(s) of the Board of Directors, and how the Fund's proxies were cast. The Investment Manager and the Custodian or Designee shall reconcile the proxies solicited with the Fund's holdings as of the record date.

Section 12. Fees

- A. The Investment Manager's compensation shall be determined in accordance with the Fee Schedule, which is attached hereto and incorporated by reference herein as Exhibit E, and such compensation shall be payable quarterly in arrears, and pro-rated for any partial quarter, at a rate determined by the average value of the assets as reported by the Custodian in the Sub-Account on the last business day of each month in the quarter. The fees paid to the Investment Manager shall be the sole cost charged to the Fund for the Investment Manager's services.

- B. Neither the Investment Manager nor any of its affiliates will receive any brokerage commissions on the purchase or sale of Fund assets or any other fees or compensation in connection with services provided hereunder, except as provided in this Agreement.
- C. The Investment Manager represents that no other current client having the same investment objective (other than sub-advisory clients and clients with fees based on performance) obtained prior to or subsequent to the Fund will be charged a lower fee for managing substantially the same amount of assets in substantially the same manner (determined by reference to assets measured at the end of each calendar quarter). The Investment Manager agrees to promptly notify the Retirement Board if it provides more favorable fees to any such other client. Should that happen, the Investment Manager agrees that, on the effective date of such an occurrence, the more favorable fee structure shall be applied to this Fund in lieu of Exhibit E.

Section 13. Valuation

When applicable, in computing the market values of all common and preferred stocks in the Sub-Account, each such security listed on any national securities exchange shall be valued as of the close of the market on the valuation date. Listed stocks not traded on such date and all unlisted stocks regularly traded in the over-the-counter market shall be valued at the last closing price furnished to the Investment Manager by the National Association of Securities Dealers, Inc., the National Quotation Bureau Incorporated, or any similar organization. Corporate and government bonds shall be valued in such manner as determined in good faith by the Investment Manager to reflect their fair market values. Such valuation may incorporate models prepared by bond valuing services, last sale prices for listed securities, and over-the-counter bid prices. Any other securities shall be valued in such manner as determined in good faith by the Investment Manager to reflect their fair market values. Should any dispute arise regarding the valuation of a security or bond, the Custodian shall determine the valuation and its valuation will control, but the Investment Manager may advise the Custodian if it believes that the valuation is incorrectly sourced or used.

Section 14. Authority

The Retirement Board shall furnish to the Investment Manager certified copies of appointments or designations setting forth the names, titles, and authorities of the individuals who are authorized to act on behalf of the Fund with respect to the Sub-Account and this Agreement, and the Investment Manager shall be entitled to rely upon such information until the Investment Manager receives written notice of a change.

Section 15. Effective Date; Term; Termination

This Agreement shall become effective on the date signed by the Investment Manager and shall continue in full force and effect for one (1) year, and year to year thereafter, unless terminated prior to such date in accordance with this Section. This Agreement may be terminated by the Retirement Board effective immediately upon the Investment Manager's receipt of written notice of termination, and by the Investment Manager upon sixty (60) days' advance written notice to the Retirement Board; provided, however, the Retirement Board through the Fund's Executive Director or investment consultant may verbally direct the Investment Manager, at any time without prior written notice, to cease its management activities with respect to the Sub-Account, which direction shall be confirmed, in writing, as soon as practicable. Upon such termination, fees of the Investment Manager shall be prorated to the date of termination as specified in the notice of termination.

Section 16. Delegation of Responsibilities

The Investment Manager, in its sole discretion, may, upon written disclosure in accordance with this Agreement, retain an affiliate of the Investment Manager to provide administrative services for the Investment Manager in carrying out its obligations under the terms of this Agreement. Any fees payable to such affiliate shall be paid entirely by the Investment Manager. Such affiliate shall be bound by the terms of this Agreement.

Section 17. Assignment

Unless the Retirement Board expressly consents in writing thereto, the Investment Manager's assignment, as defined in the Investment Advisers Act of 1940, of this

Agreement shall automatically terminate this Agreement. If the Investment Manager is converted into, merges or consolidates with, or sells or transfers substantially all of its assets or business to another corporation, the resulting corporation or the corporation to which such sale or transfer has been made shall notify the Retirement Board of such sale or transfer and shall become the Investment Manager hereunder only if the Retirement Board expressly so consents in writing.

Section 18. Disclosure of Fees Paid

- A. The Investment Manager shall disclose in writing to the Fund all direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the Investment Manager in connection with the Fund's assets being managed by the Investment Manager. The Investment Manager agrees to update such disclosures promptly after a modification of such payments or additional payments are made.
- B. The payment of a placement fee or contingency fee is prohibited. The Investment Manager represents and warrants that no placement fee, finder's fee, commission, referral fee, third party marketing fee, or consideration of any kind has been paid to any individual or entity, other than a bona fide employee working solely for the Investment Manager, resulting from or related to the selection or retention of the Investment Manager by the Fund. The Investment Manager acknowledges that Section 1-145 of the Illinois Pension Code prohibits a person or entity from retaining a person or entity to attempt to influence the outcome of an investment decision of or the procurement of investment advice or services of the Fund for compensation, contingent in whole or in part upon the decision or procurement.

Section 19. Ethics Act

The Investment Manager acknowledges that the Retirement Board and the Fund are subject to certain portions of the Illinois State Officials and Employees Ethics Act, 5 ILCS 430. The Investment Manager further acknowledges that the Fund has adopted an Ethics Policy, which is attached hereto and incorporated by reference as Exhibit A.

Section 20. Notices

- A. All notices and instructions required by this Agreement shall be deemed duly given when delivered to and received by the respective parties as follows:

To the Retirement Board:
Park Employees' and Retirement Board Employees'
Benefit and Annuity Fund of Chicago
Attn: Executive Director
55 E. Monroe St., Suite 2880
Chicago, IL 60603.
Phone: 312-553-9265 Fax: 312-553-9114
To the Investment Manager:

To the Custodian:
The Northern Trust Company
Attn: Ms. Vivienne Bailey,
50 S. LaSalle St., B-8
Chicago, IL 60675
Phone: 312-557-8802 Fax: 312-557-2704

- B. Any such notice shall be effective: (a) if sent by certified or registered mail, return receipt requested, by United States express mail, or by courier service, then when actually received; (b) if sent by telecopier or other facsimile transmission, on the date sent, provided confirmatory notice is deposited in the United States mail, postage prepaid, on said date; or (c) if delivered by hand, then on the date so delivered. The address or addressee to receive notice for any party may be changed by such party from time to time by giving notice in the foregoing manner. Any notice required under this Agreement may be waived only in writing, signed by the person entitled to notice.

Section 21. Entire Agreement; Amendment

This Agreement as it may be amended in writing, together with the Exhibits annexed hereto, constitutes the entire agreement of the parties; is intended to be the complete and exclusive statement of the terms hereof; and, except as provided for herein, may not be modified or amended except by a writing signed by the parties hereto. If any provision of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, the other provisions shall be considered severable and enforceable.

Section 22. Governing Law; Venue

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois, without regard to conflict of laws principles. References herein to provisions of law shall be deemed to include a reference to any amendments thereof and any successor provisions thereto. Venue for any litigation relating to this Agreement, including any tort claims arising out of or related to this Agreement, is agreed to be the Circuit Court of Cook County, Illinois, or the U.S. District Court for the Northern District of Illinois, Eastern Division.

Section 23. Counterparts

This Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original, but the several counterparts shall together constitute but one and the same agreement of the parties hereto.

Section 24. Disclosure of Information

The Investment Manager shall regard as confidential all information regarding the operations and investments of the Fund and shall not disclose such information except as required by law, regulation or in the course of a regulatory examination, or by order of a court of competent jurisdiction. Notwithstanding this, the Fund agrees that the Investment Manager may from time to time, as it deems necessary in its discretion, disclose to third parties that the Fund is one of the Investment Manager's clients, but the Investment Manager agrees that such disclosure shall be limited to supplying the name of the Fund only, and not the nature or extent of its investments or any other information concerning the Fund. The Fund acknowledges that the Investment Manager considers certain information related to its investment databases, investment research, and investment processes to be proprietary, confidential and trade secrets. The Investment Manager agrees that the Fund is subject to the Illinois Freedom of Information Act ("FOIA"). To the extent permitted by FOIA, the Fund agrees to take all reasonable steps to assist the Investment Manager in protecting the confidentiality of such information, including taking any reasonable and legally permitted steps to preserve the confidentiality of such information from disclosure to third parties via FOIA requests.

Section 25. Additional Statutory Provisions

- A. The Investment Manager certifies to the Fund that it is not barred from being awarded a contract or subcontract by the State of Illinois because of a conviction or admission of guilt for bribery or for bribing an officer or employee of the State of Illinois or any other state in that officer's or employee's official capacity as provided in Section 50-5 of the Illinois Procurement Code, 30 ILCS 500/50-5.
- B. The Investment Manager certifies to the Fund that it is not barred from contracting with the Fund because of a violation of Article 33 of the Criminal Code of 1961, 720 ILCS 5/33.
- C. The Investment Manager certifies that it is neither an entity chartered under the Illinois Banking Act, the Savings Bank Act, the Illinois Credit Union Act, or the Illinois Savings and Loan Act of 1985 nor a person or entity licensed under the Residential Mortgage License Act of 1987, the Consumer Installment Loan Act, or the Sales Finance Agency Act.
- D. As required by 775 ILCS 5/2-105, to the extent this provision applies to the Investment Manager, the Investment Manager agrees to:
 - (i) Refrain from unlawful discrimination and discrimination based on citizenship status in employment and to undertake affirmative action to assure equality of employment opportunity and eliminate the effects of past discrimination;
 - (ii) Comply with the procedures and requirements of the Illinois Department of Human Rights' regulations concerning equal employment opportunities and affirmative action;
 - (iii) Provide such information, with respect to its employees and applications for employment, and assistance as the Illinois Department of Human Rights may reasonably request; and
 - (iv) Have written sexual harassment policies that shall include, at a minimum, the following information or its reasonable equivalent:
 - the illegality of sexual harassment;

the definition of sexual harassment under State law;
a description of sexual harassment, utilizing examples;
the Investment Manager's internal complaint process including penalties;
the legal recourse, investigative and complaint process available through
any Illinois Department of Human Rights; and
directions on how to contact the Illinois Department of Human Rights.

- E. The Investment Manager shall maintain, for a minimum of ten (10) years after, all transactions involving the Sub-Account, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with this Agreement. The Investment Manager shall further make all such books, records, and supporting documents related to this Agreement available for review and audit as reasonably requested by the internal or external auditors of the Fund and by the Illinois Auditor General, shall cooperate fully with any audit conducted by the internal or external auditors of the Fund and the Illinois Auditor General, and will further provide the internal or external auditors of the Fund and the Illinois Auditor General full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this Section shall establish a presumption in favor of the Retirement Board for the recovery of any funds for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

IN WITNESS WHEREOF, duly authorized representatives of the Retirement Board and the Investment Manager have executed this Agreement on the day and year signed by the Investment Manager.

THE RETIREMENT BOARD OF THE PARK
EMPLOYEES AND RETIREMENT BOARD
EMPLOYEES ANNUITY AND BENEFIT FUND
OF CHICAGO

(Investment Manager)

By: _____

By: _____

Title: _____

Date: _____

Title: _____

Date: _____