



Water and Power Employees' Retirement Plan

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12/24/2018

REQUEST FOR PROPOSAL: **International Small Cap Equity**

Dear Proposer:

The Board of Administration (the Board) of the Water and Power Employees' Retirement, Disability, and Death Benefit Plan, including the Retiree Health Benefits Fund (the Plan), is seeking to hire the services of one to two International Small Cap Equity manager(s) after a request for proposal (RFP) process.

The RFP and other required documents may be downloaded from the Plan's website <http://retirement.ladwp.com>.

Please submit one (1) hard copy and one (1) electronic copy in pdf format on a CD-ROM (both required) of the completed response to this RFP by 3:00 P.M. PST, 02/08/2019, and mail to:

Los Angeles Department of Water and Power Employees' Retirement Plan

Carlo Manjikian, Senior Investment Officer
111 North Hope Street, Room 357
Los Angeles, California 90012-4207

In addition, please submit one (1) electronic copy via email of the completed RFP to:

Ryan Sullivan
RVK, Inc.
1211 SW 5th Avenue, Suite 900
Portland, OR 97204
503-221-4200
LADWP.IESC.2018@rvkinc.com

FACSIMILE, EMAIL OR CD-ROM COPIES WILL NOT BE ACCEPTED FOR DEADLINE PURPOSES. HARD COPIES SUPPLEMENTED WITH A CD-ROM COPY ARE REQUIRED FOR CONSIDERATION FOR THE INTERNATIONAL SMALL CAP MANAGER.

If you are selected as a finalist, please be prepared to provide TEN (10) additional hard copies of your RFP response.

Any questions regarding this RFP should be submitted to Carlo Manjikian at investments@ladwp.com prior to 4:00 P.M. PST, 01/18/2019. Responses to questions will be shared with all participating firms.

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I. INTRODUCTION

The Board of Los Angeles Water and Power Employees' Retirement, Disability and Death Benefit Plan, including the Retiree Health Benefits Fund, administers a Defined Benefit Pension Plan (the Plan) with assets in excess of \$13 billion. The Retirement Board recently approved an International Small Cap Equity manager search. Selection of one to two manager(s) will be based upon demonstrated ability of the professionals to provide the expertise needed.

II. SERVICES TO BE PROVIDED

The Board is seeking one or two qualified firms to provide pension fund investment management services. The management services sought by the Board entail:

- 1) Discretionary investment of a portion of the Plan's assets.
- 2) Discharge of duties solely in the interests of the Plan's participants and beneficiaries and with the judgment, care, skill, prudence and diligence that a Fiduciary would use in a similar situation.
- 3) Compliance with the Retirement Board Policies and adherence to all applicable sections of the Plan's Statement of Investment Objectives Goals and Guidelines.

Under the direction of the Board, the Retirement Plan Manager and Retirement Office investment staff, the investment manager(s) will manage a portion of the Plan's portfolio. The role of the each successful candidate is to manage one (1) portfolio valued in aggregate of approximately \$150 to \$300 million (\$125 - \$250 million Retirement Plan and \$25 - \$50 million Health Plan) that over time will i) maintain characteristics that are consistent with the specified mandate, and ii) add value to the performance of the MSCI ACWI ex USA Small Cap Index (USD). RVK, Inc. (RVK) will work closely with the Plan to select a qualified firm to provide the above described investment management services.

III. MINIMUM QUALIFICATIONS CERTIFICATION

All proposals will be evaluated in two (2) areas:

- A. Required Minimum Qualifications; and
- B. Preferred Criteria.

A. Required Minimum Qualifications (RMQ)

The Proposer must meet all of the following RMQs; otherwise its proposal will be rejected.

For each RMQ, the Proposer must provide a detailed response (one sentence or more) stating how the Proposer complies and must initial alongside each RMQ, indicating that the Proposer has met the RMQ as of 12/31/2018. A response that is limited to a mere reference to other sections of the RFP will be insufficient. Any known deviations from the RMQs below must be disclosed in detail on this form.

- The Proposer firm must have been in existence for at least five (5) full years. ____ (Initial)
- The Proposer must be registered with the Securities and Exchange Commission (SEC), a Bank, or a licensed Insurance Company Affiliate. ____ (Initial)
- The Proposer must not have been censured by the SEC or subject to regulatory action within the last five (5) years. ____ (Initial)
- The Proposer must meet the insurance requirements as indicated in Appendix A of this RFP. ____ (Initial)
- The Proposer must comply with City of Los Angeles and the Los Angeles Department of Water and Power requirements as indicated in Appendices B & C of this RFP. ____ (Initial)
- The Proposer must already have or agree to obtain a City of Los Angeles Business Tax Registration Certificate. ____ (Initial)
- The Proposer must complete the RFP questionnaire in its entirety as well as the City's required attachments pertaining to Worker's Compensation, Child Care and Equal Employment Opportunity, if applicable. ____ (Initial)
- The Proposer must be directly responsible for the management of the account, and all personnel responsible for the account must be employees of the firm. ____ (Initial)
- The Proposer must agree to accept the MSCI ACWI ex USA Small Cap Index (USD) as a reasonable benchmark for the mandate over a typical market cycle. ____ (Initial)

B. Preferred Criteria (PC)

The following PCs are strongly desired by the Plan. Although failure to meet one or more of the PCs may not necessarily result in disqualification, proposers who fail to meet one or more of the PCs may be considered less favorably in the selection process.

Please provide a detailed answer for each of the PCs (one sentence or more). Please do not only refer to other sections of the RFP. Any known deviations from the PCs below must be disclosed in detail on this form. Please refer to the data as of 12/31/2018.

- Total firm assets must be at least \$1.5 billion. ____ (Initial)
- The firm must manage at least \$750 million dedicated to International Small Cap Equity. ____ (Initial)
- The firm must have at least a five-year track record (i.e., not simulated or back tested), Global Investment Performance Standards (GIPS) compliant performance history for the period ending 12/31/2018 in the International Small Cap Equity mandate. ____ (Initial)
- Over the past five (5) years, the Proposer must not have been involved in any litigation concerning material allegations against the Proposer. ____ (Initial)
- The Proposer must be able to adhere to client-specified portfolio constraints. ____ (Initial)
- The firm must have (i) at least three (3) existing U.S. based, public retirement plan clients utilizing the International Small Cap Equity mandate and (ii) one (1) existing portfolio active in this mandate with over \$100 million, or two (2) existing portfolios active in this mandate with each over \$50 million. ____ (Initial)
- Results must have closely tracked or exceeded the performance of the MSCI ACWI ex USA Small Cap Index (USD), annualized, over the five years ending 12/31/2018. ____ (Initial)
- The proposer must have all firm and product information, including characteristics and performance uploaded in eVestment.com by time and date of submission. ____ (Initial)

Certification

By signing below, an authorized representative of the Proposer warrants that the Proposer shall meet all of the REQUIRED MINIMUM QUALIFICATIONS and understands the PREFERRED CRITERIA, as detailed above.

Authorized Signature

(Print Name)

Title

Date

Company

IV. REQUIRED PROPOSAL DOCUMENTS

Any proposal that does not provide the information requested below or does not meet all the requirements will be rejected.

All responses must be valid and shall remain in effect for at least 180 days to allow for contract negotiations.

A. Sequence of Events

Event Date	Date
Provide written notification (prefer email) to the Plan of intent to submit proposal	01/11/2019
Deadline for any questions the Proposer may have regarding the information presented in this Request for Proposal. Requests must be made in writing (prefer email). Include contact information and name of the International Small Cap Equity product(s) or composite(s)	01/18/2019
Deadline for submission of proposals	02/08/2019
Complete proposal evaluation by Staff and Consultant	TBD
Expected presentations by finalist(s)	TBD
Expect to complete due diligence, contract negotiations, contract execution, etc.	TBD
Contract Start Date	TBD

B. Cover Letter

A cover letter should accompany the proposal and include the following: the company name and address; the name(s), title(s) or position(s), and telephone number(s) of the person(s) authorized to bind the organization to all commitments made in the proposal. The letter must be signed by the person(s) authorized to bind the Proposer contractually. The letter must also include the following statement:

“We have read the Request for Proposals (RFP) for pension fund investment management services and fully understand its intent. We warrant that all information and statements in this RFP are complete and true. We certify that we have adequate personnel, equipment and facilities to provide the Plan’s requested services. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Retirement Board. We have thoroughly examined the RFP requirements and our proposed fees cover all the services that we have indicated we can meet. We acknowledge and accept all terms and conditions included in the RFP. We acknowledge the receipt of any and all amendments made to this RFP.”

C. Signed Minimum Qualifications Certification

Proposers must sign the Minimum Qualifications Criteria Certification page (Section III), as directed and include it as part of the response to be mailed to the Plan's staff.

D. Request for Proposal (RFP) Questionnaire

Proposers must complete and return all sections of the Proposal Questionnaire (Section VII). **The information requested must be provided in the presented format.**

E. Insurance Requirements

It is the policy of the Department and the Plan that, upon the award of a contract, the selected Proposer must provide evidence of insurance that conforms to the insurance requirements of the proposal. Insurance requirements are explained in detail in Appendix A - "Contract Requirements." For your information and use, "Special Endorsement Forms," "Guidance for Submitting Evidence of Insurance" and information on our insurance program for small vendors are available on our website. When and if you are awarded a contract/agreement, acceptable evidence of required insurance, from insurers acceptable to the Department, will be required to be submitted within 30 days of the date of award and maintained throughout the term of the contract. Said evidence of insurance must be on file with the Risk Management Section of the Department in order to receive payment under any contract for services rendered, and in order to commence work under your contract.

For further information regarding these requirements, please contact:

Los Angeles Department of Water and Power

Risk Management Section

Phone: (213) 367-4007

Fax: (213) 367-0214

Email: riskmanagement.risky@ladwp.com

Web: <http://www.ladwp.com>

The selected Proposer will be required to comply with the insurance terms and conditions of the Plan and the City of Los Angeles, as discussed and enumerated in Appendix A of this RFP.

F. Other Relevant Items

Proposers must include their firm's most recent annual report and/or statement of financial condition, as well as Certificate(s) of Insurance with endorsements proving coverage as required by the Board and the City of Los Angeles (see all Appendices). Proposers must complete and return all other attachments as specified in these Appendices.

V. PROPOSAL EVALUATION CRITERIA

The factors to be utilized in evaluating the proposals will include, but are not limited to, the following:

- 1) Experience (both quality and quantity) of the investment management organization and its staff in providing pension fund services with assets under management for other public pension funds with similar investment portfolios.
- 2) Qualifications of professional staff to be assigned to the account, with particular attention paid to relevant experience with public pension funds.
- 3) The ability of the firm to provide the requested services as evidenced by a historical track record of performance that reflects superior, risk-adjusted returns, for at least the past five (5) years.
- 4) A philosophy of money management and a decision-making process that result in the International Small Cap Equity platform having a close fit with the desired mandate.
- 5) The quality, conciseness and completeness of the proposal.
- 6) Reasonable fees.

VI. SUBMISSION PROCEDURES

A. Deadline

THE DEADLINE FOR SUBMISSION OF RESPONSES IS 02/08/2019. ALL MATERIAL MUST BE RECEIVED BY 3:00 P.M. PST ON THAT DAY. THIS DEADLINE WILL BE STRICTLY ENFORCED.

FACSIMILE, EMAIL OR CD-ROM COPIES WILL NOT BE ACCEPTED FOR DEADLINE PURPOSES. HARD COPIES SUPPLEMENTED WITH A CD-ROM COPY ARE REQUIRED FOR CONSIDERATION FOR THE INTERNATIONAL SMALL CAP EQUITY MANAGER SEARCH.

Responses must be signed by an individual with authority to bind the firm and the authority of the individual signing must be stated thereon.

Please submit one (1) hard copy and one (1) electronic copy on a CD-ROM (both required) of the completed response in PDF format to this RFP by the above mentioned deadline and mail it to:

Los Angeles Department of Water and Power Employees' Retirement Plan
Carlo Manjikian, Senior Investment Officer
111 North Hope Street, Room 357
Los Angeles, California 90012-4207

Copies must be sealed in an envelope or wrapping, which shall be clearly marked:

Name of Firm

International Small Cap Equity RFP

If you are selected as a finalist, please be prepared to provide TEN (10) additional hard copies of your RFP response.

In addition, please submit one (1) electronic copy via email of the completed RFP to:

Ryan Sullivan
RVK, Inc.
1211 SW 5th Avenue, Suite 900
Portland, OR 97204
LADWP.IESC.2018@rvkinc.com

B. Contact Information

Carlo Manjikian, Senior Investment Officer
Fax: (213) 367-1623
Email: investments@ladwp.com

C. Preparation of Proposal

Each proposal shall be prepared simply and economically avoiding the use of elaborate promotional materials beyond those sufficient to provide a complete, accurate and reliable presentation. The Proposer understands and agrees that the Plan shall not have financial responsibility for any costs incurred by the Proposer in responding to this RFP. The responses become the property of the Plan and are subject to public inspection, consistent with California Open Meeting and Public Records jurisprudence.

D. Withdrawal

Should your firm no longer satisfy the criteria or wish to decline further consideration please notify the Plan by emailing Carlo Manjikian at investments@ladwp.com. A proposal may be withdrawn or modified at any time prior to the deadline date and time.

E. Contract Negotiations

This RFP in no manner obligates the Plan to the eventual procurement of services until confirmed by a contract. The Board reserves its exclusive right to reject any or all proposals with or without reason. After a review of the proposals and final presentations, the Board intends to enter into contract negotiations with one to two investment manager(s). The negotiations could include all aspects of services and fees. The firm awarded the contract will be required to enter into a written contract with the Board in a form approved by the Board and Los Angeles City Attorney, including the standard contract requirements and language outlined in this RFP. This RFP and the proposal, or any part thereof, may be incorporated into and made part of the final contract.

F. Confidential or Proprietary Information

All information submitted in response to this RFP, regardless whether it is marked or otherwise designated as "confidential," shall be considered a public record and subject to disclosure in response to applicable requests pursuant to the California Public Records Act (Government Code Section 6250 et seq.). Proposer must identify any material claimed to be exempt from disclosure under the Public Records Act. In the event such exemption is claimed, the Proposer must state in the response that it will defend any action brought against the Board, the Plan, and/or the City for its refusal to disclose such material to any party making a request thereof. Failure to include such a statement shall constitute a waiver of Proposer's right to exemption from disclosure.

VII. RFP QUESTIONNAIRE

In order to be evaluated for this mandate, all responses must be completed using the format presented in the RFP. This includes question numbers, section titles, labels, etc. Do not reorder questions, change titles or in any way change the formatting of the RFP.

PART 1: ORGANIZATION

1. Provide the following information:

Specific (proper) name of organization	
Company's address	
Specific (proper) name of product (as shown in eVestment	
Inception date of product	
Suggested benchmark	
Proposed vehicle type (i.e., separate account, institutional mutual fund, commingled fund)	
Are derivatives used in managing this product?	

2. If selected for this mandate, what is the name of the legal entity that will be represented on the contract(s)?
3. Briefly narrate (five (5) sentences or less) a description of your firm's overall product offerings (such as public and/or private, equity and/or debt, domestic and/or international, separate accounts and/or commingled fund, open end and/or closed end etc.) and services (financial services, insurance, investment management, credit services, etc.).
4. Provide a brief history of your firm's involvement in the management of International Small Cap Equity portfolios. How many years has your firm provided International Small Cap Equity management to public pension plans? Other institutional investors?
5. Describe your firm's history. Detail any ownership and/or firm structural changes.
6. Is the organization involved in any other business other than asset management? If yes, please explain.

7. Complete the information in the table below as of 12/31/2018.

Year founded	
Year firm became SEC registered	
# of firm employees (in total)	
# of investment professionals (in total)	
% of firm owned by employees	
# of employees with ownership stake	
Parent Company (or equivalent)	

8. Please provide a listing of the total number of personnel for International Small Cap Equity, as of 12/31/2018. If the person has multiple responsibilities, include the person in the primary job description. **Do not double count employees.**

9. List all current owners of the firm and % ownership.

Name/Company	Relationship to firm (if any)	% Owned

If your organization is a subsidiary, affiliated with another firm or there is outside ownership, please address the nature of the relationship, method of communication, hierarchy of decision making and degree of influence.

10. Furnish an organizational chart.

11. Insert response as indicated to the following questions as of 12/31/2018. If answer yes (Y) to row C or D please provide a brief explanation.

A. Registered Investment Advisor?	(Y/N)
B. Exempt from SEC registration?	(Y/N)
C. Pending litigation or investigations?*	(Y/N)
D. Previous judgment(s) in last five (5) yrs?*	(Y/N)
E. Crime insurance?	(Y/N)
F. Error & Omission insurance?	(Y/N)
G. Fidelity Bond?	(Y/N)
H. GIPS compliant?	(Y/N)
I. Attestation firm/auditor	

**Please answer question directly. Do not refer us to your ADV or other SEC filings.*

12. Describe your plans for managing the future growth of your firm in terms of:

- i. Total number of accounts that will be accepted.
- ii. Total assets that will be accepted.
- iii. Plans for additions to professional staff and approximate timing in relation to anticipated growth in the number of accounts or assets.

PART 2: PROFESSIONALS

13. Who should be contacted regarding any questions about the information contained in your response to this RFP?

	Name/Title/Address	Phone	Email
RFP Contact			
Portfolio Manager			
Client Service			

14. Indicate the number of personnel as designated below as of 12/31/2018. Count individuals only once when completing columns B and C (**do not duplicate**).

	A	B	C
	Total Firm Wide	# Involved in the Strategy	# Dedicated to the Strategy*
Strategic/Executive Advisors			
Portfolio Managers			
Analysts			
Traders			
Client Servicing/Marketing			
Reporting/Compliance			

* *not involved in other firm products*

15. Do portfolio managers have client/marketing duties?

16. Complete the following table with information for key personnel associated with the International Small Cap Equity mandate. **Please order the individuals in terms of Product-specific relevance (most key decision makers)**. If titles are different than portfolio manager or analyst, please indicate which individuals are functionally portfolio managers and which are functionally analysts. Please add additional lines to the table as necessary.

Name (include designations)	Title	Highest Level of Education	Institution	Years with Firm	Years Involved with Product	Years in Current Capacity	Years of Investment Experience

17. Provide biographies and/or résumés of all personnel listed in question 16.
18. Are the portfolio managers or investment professionals responsible for building the track record still managing the International Small Cap Equity strategy?
19. Describe your firm's succession plan for key personnel working on this strategy.
20. List all professionals for the International Small Cap Equity strategy gained and lost over the last three (3) years including reasons for departure (please include office where employed as well as responsibilities).
21. What policies are in effect to control the workload as it relates to the number of clients serviced by each account manager? E.g., is there a limit on the number of accounts that an account manager may handle?
22. Describe compensation and incentive structures for the product's portfolio managers and research analysts directly associated with the investment strategy. Please discuss how bonus/performance pools are allocated among portfolio managers, analysts, and other functional areas.
23. Has any employee associated with this product offering been party to any investigations, litigation (including any settled out of court), or regulatory action during the past five (5) years (ending 12/31/2018) while at this or any other firm? If so, please provide (i) a brief synopsis, (ii) the current status, and (iii) a comment on the action's merits.
24. Explain any legal judgments within the last five (5) years pertaining to any current or former employee associated with this strategy while at this or any other firm. Specify whether the employee is involved in any pending litigation or investigations. If so, please provide a brief synopsis of the case.

PART 3: INVESTMENT STRATEGY

25. Describe your firm's investment philosophy. Specify objective, approach and strategy.
26. Describe how your approach to this product differentiates your philosophy and process from your competitors.
27. What is the most appropriate benchmark for your product? Why?
28. Does this strategy make investments outside the benchmark MSCI ACWI ex USA Small Cap Index (USD)? If so, what is your current exposure to non-benchmark securities within the strategy? What has been the historical range of investments in non-benchmark issues been?
29. Describe the decision-making process, detailing the roles and responsibilities of each type of investment professional involved (i.e., analysts, portfolio managers, committee members, advisory staff, traders etc.).
 - a) Describe and explain the overall investment process (research, security selection, trading, monitoring, rebalancing, etc.).

- b) How do portfolio managers process information from analysts?
 - c) Detail efforts or decisions made on a team (or consensus) basis.
 - d) What latitude or degree of autonomy in decision-making is given to portfolio managers within the product team?
 - e) Describe who has ultimate decision making authority and accountability (portfolio manager, investment committee, etc.).
 - f) Where is the team located? If members of the team are located in more than one office, please provide details.
 - g) Describe how the analyst team is organized. Does the analyst team support multiple products? If so, approximately how much of their time is focused on this product?
 - h) Are there dedicated traders for this product? If not, approximately how much of their time is focused on this product?
30. Provide a description of the portfolio construction process for this strategy.
- a) List each stage explicitly.
 - i. Discuss the quantitative and qualitative processes utilized in constructing the portfolio.
 - ii. Discuss process and sources of research in detail.
 - b) How are sector, region, country, and individual security weightings determined? Please explain.
 - c) Does the firm engage in currency hedging as a part of the proposed strategy? If yes, is currency hedging viewed as a risk mitigation technique or a source of alpha?
 - d) Is there a model portfolio which is the basis for a new investor's portfolio? Please describe how the model portfolio process is applicable and how a new investor's portfolio would be able to deviate from the base model portfolio.
 - e) How important are income/dividend characteristics when selecting securities for this mandate? Please explain the firm's strategy.
 - f) Explain the investment process with respect to investment pacing. Initially, are securities purchased simultaneously or gradually based on different factors?
 - g) What is the firm's sell discipline with respect to the subject strategy? Please explain.
31. Have there been any compliance issues with remaining within stated allocations (i.e. sector exposures, concentration levels, risk targets, etc.)?
32. How are security reclassifications from one index to another implemented in the portfolio?

33. Describe any changes (or events) during the product's tenure impacting performance results.
34. What is the expected tracking error to the MSCI ACWI ex USA Small Cap Index (USD)? List any incidents of significant discrepancies in realized tracking error relative to expected tracking error for this product during its tenure and describe the reason(s) for each discrepancy. What factors contribute to the tracking error of the performance of the composite?
35. Describe the market environment that would cause the portfolio's performance to significantly deviate, positively and negatively, from the benchmark.
36. Please detail the use, if any, of derivative instruments in your strategy. Are their uses intrinsic to your management style?
37. Does the firm have model(s) to capture counterparty exposure? If so, briefly describe.

PART 4: RISK CONTROL

38. Please provide the following.
- a) The internal investment guidelines for the proposed mandate's strategy; and
- b) Complete the tables below.

General Policy Limits

	Guidelines (Y or N)	Maximum or Range	How Established (Absolute or Index Relative)
Max Cash Position			
Min Market Capitalization (\$millions)			
Max Market Capitalization (\$millions)			
Max Position Size			
Max Sector Exposure			
Max Beta			
Minimum # of Countries			

Geographic Limits

	Guidelines (Y or N)	Maximum or Range	How Established (Absolute or Index Relative)
United States			
United Kingdom			
EU Countries			
Non EU Countries			
Far East & Australasia			
Other			
Emerging Markets (Aggregate)			
Frontier Markets (Aggregate)			

39. Describe your firm's risk philosophy (i.e., benchmark relative or absolute loss aversion).
40. Describe the risk models/controls used in portfolio construction. Is cash used as a method of risk control?
41. How do you monitor the product's adherence to its investment style and process? Specify who is responsible.
42. Describe how you evaluate and monitor liquidity risk, specifically commenting on how you would handle an "illiquidity event".
43. How do you monitor portfolio parameters with respect to client guidelines? What compliance systems/tools are used?

PART 5: CLIENT BASE AND SERVICES

44. Please provide your firm's total assets under management as well as total International Small Cap Equity assets under management, as of 12/31/2018. Please describe a summary of your firm's International Small Cap Equity investment offerings including separate accounts, commingled funds and other vehicles.
45. Provide the following (as of 12/31/2018).

By Client Type	Firm		International Small Cap Equity	
	Assets (\$mil)	# of Accounts	Assets (\$mil)	# of Accounts
Total Institutional Assets				
Corporate				
Public Fund				
Union/Multi-Employer				
Foundation & Endowment				
Health Care				
Insurance				
High Net Worth				
Wrap Accounts				
Sub-Advisor				
Other				

46. List your five (5) largest clients in the product by order of assets under management (AUM) with the following information as of 12/31/2018. If you are unable to provide both client name and AUM, we would prefer you provide AUM (and Client Type). This information will be used to verify the minimum qualifications criteria.

	Name	Client Type	Date Retained	AUM (\$mil)	US Tax Exempt Client (Y or N)
1.					
2.					
3.					
4.					
5.					

47. What is the minimum, average, and maximum account size for this mandate as of 12/31/2018?

48. Please provide the names, addresses, phone numbers, contacts, and 12/31/2018 market values of the three (3) largest US public pension plans (or closest equivalent) for which you manage this Product. Please also secure permission from your clients to permit reference checking prior to submitting your proposal.

49. State the asset capacity limit for the proposed strategy. Please provide an explanation for how that capacity limit was determined.

50. Complete the following tables indicating accounts and market value of assets gained and lost for each of the last four (4) calendar years. Please provide reasons for each client loss, and for any meaningful changes in firm wide and/or product assets.

Firm Wide

	2014		2015		2016		2017	
	Gain	Loss	Gain	Loss	Gain	Loss	Gain	Loss
Total # of Accounts								
Total Assets								
# of Public Fund Accounts								
Public Fund Assets								

Product

	2014		2015		2016		2017	
	Gain	Loss	Gain	Loss	Gain	Loss	Gain	Loss
Total # of Accounts								
Total Assets								
# of Public Fund Accounts								
Public Fund Assets								

PART 6: PERFORMANCE / QUANTITATIVE CHARACTERISTICS

51. Provide monthly rates of return (for both **NET** of fees and **GROSS** of fees return streams) since inception, ending 12/31/2018 with respect to both a commingled vehicle and a separate account composite, if available. Also provide portfolio statistics for the proposed strategy. Provide these by submitting this information to eVestment.com and by using an Excel spreadsheet. Performance for each should be monthly, in ascending chronological order, and in one (1) column, with no spaces or separations for aggregation (such as each quarter or by calendar year). Label each column by specific (proper) name, vehicle type, and **NET** or **GROSS** of fees.
52. Please provide the annualized gross and net performance for the proposed strategy. Please provide only actual returns (no back-tested). Must provide returns through 12/31/2018 (1 year, 2 year, 3 year, 4 year, 5 year and since inception).
53. Provide the portfolio statistics (beta, standard deviation, tracking error, Sharpe ratio, information ratio, alpha, up market & down market capture ratios) for the proposed strategy versus the MSCI ACWI ex USA Small Cap Index (USD) (1 year, 2 year, 3 year, 4 year, 5 year and since inception).
54. At what level of GIPS compliance are the performance numbers reported? Include all performance-related disclosures regarding composites. GIPS composite reporting formats are encouraged.
55. Describe how you analyze and evaluate the performance of the product. Include a discussion of your performance attribution analysis and any models or tools used. How do you incorporate the results of the performance attribution analysis in the management of the product?
56. Provide sector and region attribution for your strategy over the latest one- (1-), three- (3-), and five- (5-) year periods ending 12/31/2018.

57. Please provide the following portfolio characteristics as of 12/31/2018 for the last six (6) calendar years:

	2012	2013	2014	2015	2016	2017
Number of issues						
Average Holding Period						
Annual Turnover						
Weighted Avg. Market Cap (Mil)						
Dividend Yield						
P/E						
P/B						
5 Year ROE						
Earnings Growth (Next 5 Yrs)						
Average Cash Position						

% of Portfolio in Cap Range (by percent held)

	2012	2013	2014	2015	2016	2017
> \$10 billion						
\$5 billion - 10 billion						
\$2.5-5 billion						
\$1-2.5 billion						
< \$1 billion						

Top Ten (10) Holdings (include weighting)

2012	2013	2014	2015	2016	2017

Total		Total		Total		Total		Total	

PART 7: FEES

58. Please provide your standard fee schedule for **all** vehicles offered (separate account, commingled fund, institutional mutual fund, etc.) for this product? Include specific (or proper) names for each product as delineated by vehicle. For each, indicate minimum asset size or fee requirements and any other differentiating factors. If investment vehicle is not offered, please indicate “not offered”. In addition to providing this information in your response, please also submit this information to eVestment.com.

	Separate Account	Institutional Commingled Fund	Other
Product Name			
Minimum Asset Level			
Minimum Fee			
Fee Schedule			

59. The Plan may elect to utilize either a separate account or commingled vehicle structure with regards to this search. Please provide your proposed separate account and commingled vehicle fee schedules for this search. *(These fee schedules are what will be used for evaluation purposes.)*

	Retirement Plan (approximately \$250 million)	Health Plan (approximately \$50 million)
Separate Account		
Proposed Fee Schedule		
Proposed Fee in Dollars		
Commingled Vehicle		
Proposed Fee Schedule		
Proposed Fee in Dollars		

60. Will the assets for the two (2) plans be aggregated for fee calculation purposes?

61. Are your “proposed fee” schedules negotiable?

PART 8: LEGAL

62. Do you maintain an in-house legal staff? If yes, describe its role, staff profile, and the number of employees assigned to the department. If not, list the names of the external firms you use.
63. Has the firm, its principals or any affiliate over the last five (5) years been: (a) the focus of a non-routine SEC inquiry or investigation or a similar inquiry or investigation from any similar federal, state or self-regulatory body or organization; (b) been a party to any litigation concerning fiduciary responsibility or other investment related matters; or (c) submitted a claim to your errors & omissions, fiduciary liability and/or fidelity bond insurance carrier(s)? If yes to any, please provide details.

PART 9: COMPLIANCE

64. Do you maintain an in-house Compliance Department?
65. Do you maintain a front-end and/or back-end compliance system for client guideline monitoring?
66. Describe how your internal control procedures effectively prevent conflicts of interest in employee, proprietary and client discretionary trading.
67. Discuss your firm-wide compliance training and education initiatives.
68. Describe how your organization communicates compliance and regulatory policies/procedures.
69. Describe your firm's soft dollar policy and how soft dollar activity is monitored/controlled.
70. Do you have a Code of Ethics? Do you require all employees to follow it? How is it enforced?
71. List and describe any relationships and/or contacts the firm has had with any of the Plan's Board members, Investment Staff, and/or Consultant (RVK, Inc.) working with the Plan within the last twelve (12) months.
72. Describe any potential conflicts of interest your firm may have in the management of this account. Include any activities of affiliated or parent organizations, brokerage activities or investment banking activities. Include any other pertinent activities, actions, or relationships not specifically outlined in this question.

PART 10: TRADING OPERATIONS

73. Please outline your internal trading capabilities for this mandate:
 - a) Number and experience of trading staff
 - b) Current actual trading volume

- c) Current capability for trading volume and asset levels
 - d) Experience in trading an International Small Cap equity portfolio. Where are traders located?
74. Describe the decision-making process of determining which broker/dealer will execute client transactions.
75. Describe the process of how you ensure and monitor best execution and minimize trading costs.
76. Describe your process for reconciling client transactions. How often do you reconcile your records of client positions and position records maintained by client custodians? How often do you review cash positions in your client accounts?

PART 11: AUDIT

77. Provide the name, address and contact of your independent auditor(s) or accounting firm. In addition, explain the nature of the services they provide to your firm.
78. Provide electronic copies of the latest ADV Part I and Part II, and Statement of Auditing Standards No. 70 or Statement on Standards for Attestation Engagements (SSAE) 16, if available, for the most recent year-end.
79. Does your firm have an internal audit department?
80. What procedures do you have that ensure adequate internal controls are in place?
81. Please summarize any SEC, securities industry Self-Regulatory Organizations (SROs) or other governmental or regulatory enforcement proceedings or action taken with respect to your firm or its employees for the past five (5) years.
82. Is your firm in compliance with Sarbanes Oxley? Have you implemented changes to be in compliance with these obligations?

PART 12: MBE/WBE/OBE (Information provided in this section will be recorded for information-gathering purposes, but it will not be used in any way to evaluate or recommend potential candidates.)

83. Please describe the ownership structure of the organization by completing the table below (as of 12/31/2018):

Minority/Female Ownership Structure	%
% African American Owned	
% Asian Owned	
% Hispanic Owned	
% Other Owned	
% Minority Female Owned	
% Non-Minority Female Owned	

% Total Minority & Female Ownership	
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84. Please describe the composition of the firm’s workforce at the total firm level and for the product proposed for this mandate by completing the following table (as of 12/31/2018):

Minority/Female Workforce	Firm-wide		Product Proposed	
	# of Employees	% of Total Employees	# of Employees	% of Total Employees
African American				
Asian				
Hispanic				
Other Minority				
Minority Female				
Non-Minority Female				
% Total Minority & Female Workforce				

85. Supply information on any programs and initiatives that the firm has in place that support minority and/or women in the workplace.

86. Identify any minority and/or women owned businesses that are utilized in the management of the proposed product. Please describe these relationships in detail and provide an indication of the volume of business conducted through these firms. (i.e. brokers, research firms).

87. Will your firm indemnify 100% of losses incurred by an emerging broker conducting trades on behalf of the Plan’s account? Please comment on whether or not your firm could meet this commitment. Also, please comment on whether your firm provides indemnification against activities of its mainline brokers.

88. Does your firm sub-contract/outsource any other specific services to emerging firms? Please describe.

89. Please provide any additional information that your firm believes might prove relevant to the Plan’s efforts to collect MBE/WBE/OBE data.

PART 13: OTHER

90. Describe proxy services offered by your firm and procedures followed. Discuss your company’s ability to support the voting process. List any major voting services with which your institution has linkages. Does your firm automatically file for class actions on a client’s behalf?

91. Provide a sample quarterly client report.

92. Does your firm utilize/compensate one (1) or more external placement agents in any of your institutional investment offerings? If so, please provide details on (i) amount of assets and under what mandates the placement agent(s) was/were utilized and (ii) the compensation structure agreed upon between your firm and each placement agent (iii) in what capacity they are used in relation to the International Small Cap Equity mandate.

93. Has your firm paid any unregistered third-parties such as placement agents to solicit government business? If so, please provide detailed information.
94. Has your firm, any employees of your firm, or any associate of your firm made any campaign contribution to any elected officials, and/or candidate for an elected office, or candidate for any elected office in the State of California in the last five (5) year period?
95. Please verify your firm will accept the indemnification language stipulated in Appendix A?
96. Has your firm verified the insurance requirements (as described in Appendix A) with your Risk Manager or legal counsel? If so, were any issues identified?
97. Will your firm list the Los Angeles Water and Power Employees' Retirement, Disability and Death Benefit Plan, including the Retiree Health Benefits Fund as an Additional Insured in the schedule of the appropriate insurance policy on the appropriate endorsement form to accompany the certificate(s) of insurance?
98. Is your firm able to meet all the required insurance policy endorsements and coverage levels? If not, please specify.
99. Is your firm able to meet the Affirmative Action Mandatory Provisions (Appendix B)?

VIII. COMPLIANCE DOCUMENTS

1. Appendix A contains the following documents:
 - a) Contract Requirements, including information on Insurance and Minority/Women Owned Business Enterprises.
2. Appendix B contains the following documents:
 - a) Non-Discrimination, Equal Employment Practices, Affirmative Action (Construction and Non-construction Contractors – Vendors, Suppliers, Consultants)
 - b) Service Contract Worker Retention and Living Wage Ordinance Forms
 - c) Certification of Compliance with Child Support Obligations
 - d) W-9 Form
 - e) Tax Registration Certificate and/or Vendor Registration Number and Office of Finance Tax and Permit Division Contacts
3. Appendix C contains the following documents:
 - a) Information and Vendor Questionnaire Package Contents (Exhibits A-M)

APPENDIX A

Contract Requirements

1. CONFIDENTIALITY/CONFIDENTIAL INFORMATION

a. For purposes of this Contract, confidential information shall consist of any information disclosed by either party to the other relating to the Account, the Portfolio or this Contract that is clearly marked “confidential and propriety” and that constitutes a trade secret or is otherwise protected from public disclosure by California law (“**Confidential Information**”). For the avoidance of doubt, Confidential Information shall include all Portfolio or Account-specific reports created by the Contractor for the Board and/or the Plan under this Contract. Any such Portfolio or Account-specific reports shall be the property of the Board and shall be subject to the confidentiality provisions contained herein. Furthermore, all information furnished by the Board or the Plan to the Contractor under this Contract shall be regarded as Confidential Information by the Contractor, unless written authority to the contrary has first been secured from the Board or the Plan, as applicable, and the Contractor shall maintain the confidentiality of such Confidential Information according to all applicable federal, state, county and local laws, regulations, ordinances and directives relating to confidentiality. The Contractor shall inform all employees performing services under the Contract of the confidentiality provisions of this Contract.

b. In addition, except as required by law or regulatory authorities:

(i) The Contractor agrees to maintain in strict confidence all personal and financial information regarding the Plan that the Plan furnishes to the Contractor (except that the Plan may consent to disclose its identity as a client of the Contractor through written request by the Contractor), and

(ii) The Plan agrees to maintain in strict confidence all investment advice and information the Contractor furnishes to the Plan, and shall not use any of this advice or information to manage any assets other than the Assets in the Portfolio.

(iii) The Contractor shall not disclose any confidential Plan related information to other clients or third parties, except as required by applicable law or regulatory authority, unless specifically requested, in writing, by the Plan. However, if the Plan engages a third party consultant with respect to the Account, Contractor shall assume that the information concerning the Account may be shared with this third party consultant unless specifically directed otherwise by the Plan in writing.

c. With the exception of reports provided to the Contractor to the Board for discussion during public session of the Investment Committee or Board meeting at which the Contractor and/or the Plan’s investment consultant presents, all Confidential Information furnished by the Contractor to the Board and/or the Plan hereunder, including Confidential

Information furnished to the Plan's agents and employees, shall not be disclosed to third parties, except as required by law. Notwithstanding the foregoing, the Contractor hereby acknowledges that the Plan is a public agency subject to state laws, including, without limitation, (i) the California Public Records Act (California Government Code §6250, et seq.) (the "**Public Records Act**"), which provides generally that all records relating to a public agency's business are open to public inspection and copying unless otherwise exempted under the Public Records Act, and (ii) the Ralph M. Brown Act (California Government Code §54950, et seq.) ("**Brown Act**") (collectively, "**Open Records Laws**"), which provides generally for open meetings for local legislative bodies, and that, as a result, the Plan may be required by law to disclose certain information publicly.

2. INDEMNIFICATION

The Contractor shall indemnify, hold harmless and, at the option of the Department, the Board of Water and Power Commissioners of the City of Los Angeles ("**Commissioners**") or the Plan, defend the Department, the Commissioners, the Plan and all of their officers, fiduciaries (excluding the Contractor), employees and agents, from all claims, damages, losses, liabilities, suits, costs, charges, expenses (including, but not limited to, reasonable attorneys' fees and court costs), judgments, fines and penalties, of any nature whatsoever arising from or relating to any bad faith, negligence, willful misconduct, improper or unethical practice that results in a violation of a governing law, statute, or regulation, infringement of intellectual property rights, breach of fiduciary duty, breach of confidentiality, breach of contract, or violation of any legal requirements by the Contractor or any of its agents acting in connection with this Contract. This indemnification obligation shall survive the expiration or termination of this Contract.

3. GENERAL CONTRACT AND INSURANCE REQUIREMENTS

a. General Requirements. It is the policy of the Plan that upon the award of a contract, the selected bidder/proposer must provide evidence of insurance that conforms to the insurance requirements of the bid/proposal. Insurance requirements are explained in detail in item k below, which specifically outlines the types and amounts of coverage required for this Contract.

(i) Acceptable evidence of required insurance, from insurers acceptable to the Department, will be required to be submitted within 30-days of the date of award and maintained current throughout the term of this Contract. Said evidence of insurance must be on file with the Risk Management Section in order to receive payment under any contract for services rendered, and in order to commence work under this Contract.

(ii) For further information regarding the evidence of insurance, please contact: Ms. Josephine Herrera

Los Angeles Department of Water and Power
Risk Management Section
Phone: (213) 367-4007

b. Additional Insured Status Required. The Contractor shall procure at its own expense, and keep in effect at all times during the term of this Contract, the types and amounts of insurance specified. The specified insurance shall also, by provisions in the policies, by the City's own endorsement form or by other endorsements to such policies, include the Department, the Plan, and all of its officers, employees and agents, their successors and assigns, as additional insureds (except for Professional and Workers' Compensation, if required) against the area of risk described herein as with respect to the Contractor's acts or omissions in its performance of the Contract or other related functions performed under the Contract. Such insurance shall not limit or qualify the liabilities and obligations of the Contractor assumed under the Contract.

c. Severability of Interests and Cross Liability Required. Each specified insurance policy (General Liability and Excess or Umbrella, if required) shall contain a Severability of Interest and Cross Liability clause and a Contractual Liability Endorsement which shall also apply to liability assumed by the Contractor under this Contract with the City and the Plan.

d. Primary and Non-Contributory Insurance Required. All such insurance shall be Primary and Noncontributing with any other insurance held by the Department or the Plan where liability arises out of or results from the acts or omissions of the Contractor, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of the Contractor. Any insurance carried by the Department or the Plan, which may be applicable, shall be deemed to be excess insurance and the Contractor's insurance is primary for all purposes despite any conflicting provision in the Contractor's policies to the contrary.

e. Proof of Insurance for Renewal or Extension Required. At least ten (10) days after the expiration date of any of the policies required on the attached Contract Requirement page, the Contractor shall file with the Department documentation showing that the insurance coverage has been renewed.

f. Submission of Acceptable Proof of Insurance and Notice of Cancellation. Contractor shall provide proof to the Department's Risk Manager of all specified insurance and related requirements by use of Department's own endorsement form(s), by other written evidence of insurance acceptable to the Risk Manager, but always in a form acceptable to the Risk Manager. The documents evidencing all specified coverages shall be filed with the Department prior to Contractor beginning operations or occupying the premises hereunder. Said proof shall contain at a minimum, the applicable policy number, the inclusive dates of policy coverages, the date the protection begins for the Plan and the insurance carrier's name. It shall provide that such insurance shall not be subject to cancellation, material reduction in coverage or non-renewal except after written notice by certified mail, return receipt requested, to the Risk Management Section at least thirty (30) calendar days prior to the effective date thereof. The notification shall be sent by registered mail to: The LADWP Risk Management Section, Post Office Box 51111, JFB Room 465, Los Angeles, California 90051-0100.

g. Claims-Made Insurance Conditions. Should any portion of the required insurance be on a "Claims Made" policy, the contractor shall provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits, terms and conditions of the expiring policy, or that an extended discovery period has been purchased on the expiring policy at least for the contract under which the work was performed.

h. Failure to Maintain and Provide as Cause for Termination. Failure to maintain and provide acceptable evidence of the required insurance for the required period of coverage shall constitute a breach of contract, upon which the Department or the Plan may immediately terminate or suspend the Contract.

i. Sub-Contractor Compliance. The Contractor shall be responsible for all subcontractors' compliance with the insurance requirements in amounts and types consistent with the scope of work being performed by each sub-contractor.

j. Specified Insurance Requirements

(a) CRIME INSURANCE OR FIDELITY BOND

(\$10 million per occurrence)

(b) PROFESSIONAL LIABILITY

(2.5% OF Plan ASSETS UNDER MANAGEMENT ("2.5% PAUM"))

The Contractor shall maintain Professional Liability Insurance limits of liability the greater of \$1,000,000, or 2.5% of the actual Plan Assets Under Management. Such amount will be determined semi-annually. For such limits, and only for such limits, the Contractor will be required to alter such policies in order to provide specific protection to the Plan. Such alteration will have the purpose of confirming that the policy or policies have Contractual Liability protection, providing coverage for liability assumed under contract, or equivalent protection. Such policies shall also have a commitment that the Plan is provided with firm Notice of Cancellation/Non-renewal, in the event the policy is cancelled and/or non-renewed.

4. MAXIMUM PROTECTION TO BE PROVIDED

It is the specific intent of this provision that all available Professional Liability limits of insurance that the Contractor procures in its normal course and scope of its business operations be made available to the Department, the Board and the Plan. The Contractor will be required to disclose those limits of insurance in its response to any Request for Information, and will be subsequently required to provide proof of insurance confirming those limits. However, for any limits in excess of those required in the above section (3.j.b), those policies are not required to be altered in order to provide specific protection for the Department, the Board or the Plan, as noted above.

5. DISCLOSURE

(a) The Contractor will promptly contact and provide a written statement to the Board whenever there are material changes in its financial condition or whenever there are

significant changes in its business, including, but not limited to, ownership and key personnel responsible for the management of the Accounts or the Portfolio.

(b) The Contractor will promptly notify the Board in writing of any material litigation or regulatory proceedings commenced by it or to which the Contractor is a named party that could have a material impact on the Accounts or the Portfolio.

(c) The Contractor shall submit a copy of their most recent annual consolidated financial report of Manager, Inc., within ten (10) days of the signing of this Contract and every year thereafter, within thirty (30) days of publication, for the duration of this Contract.

(d) The Contractor shall provide the Board with their written policy addressing their investment professionals and other key personnel trading practices concerning investing for personal benefit.

(e) The Contractor agrees to promptly report in writing to the Board President and/or to the Retirement Plan Manager, any contact by any one including members of the Plan's staff (unless their contact is for routine business purposes), the Board, the Commissioners, Mayor's Office, DWP Union staff, or City Council, either endorsing, suggesting, requesting any specific contract, the Contractor, or product as part of the Contract to be included, excluded or otherwise.

6. NON-DISCRIMINATION CLAUSE

(a) The Contractor agrees and obligates itself not to discriminate during the performance of this Contract against any employee or applicant for employment because of the employees' or applicants' race, color, religion, national origin, ancestry, sex, sexual orientation, age, or physical handicap. All subcontracts awarded under this Contract shall contain a like non-discrimination clause.

(b) The Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City of Los Angeles. The Contractor shall comply with the provisions of the Los Angeles Administrative Code Sections 10.8 through 10.13, to the extent applicable hereto. The Affirmative Action Program of this Contract shall be the mandatory contract provisions set forth in the Los Angeles Administrative Code Section 10.8.4, and said provisions are incorporated herein by this reference. The Contractor shall also comply with all rules, regulations, and policies of the City of Los Angeles, Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by said Office. Any subcontract entered into by the Contractor relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

7. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

The Contractor may not, unless it has first obtained the written permission of the Board:

(a) Assign or otherwise alienate any of its rights hereunder, including the right to payment; or

(b) Delegate, subcontract, or otherwise transfer any of its duties hereunder with respect to investment management duties. Notwithstanding the preceding sentence, Contractor is authorized, at its own expense and its sole discretion, to employ agents to advise or assist it in the performance of its duties or activities necessary to support the provision of its investment management services (i.e., back office and administration duties which are not related to Contractor's investment management duties).

8. NO WAIVER OF BOARD'S LEGAL RIGHTS

The federal securities laws impose liabilities under certain circumstances on persons who act in good faith. Therefore, nothing herein shall in any way constitute a waiver or limitation of any rights that the Board may have under applicable state or federal securities laws.

9. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

(a) Each party's performance under this Contract shall comply with all applicable laws of the United States of America, the State of California, and the City of Los Angeles. This Contract shall be enforced and interpreted under the laws of the State of California and the City of Los Angeles.

(b) Any state court of the State of California or the U.S. federal court of the Central District of California, in the City of Los Angeles, has exclusive jurisdiction to settle any dispute between the parties, and neither party hereto waives its right to trial by jury.

(c) If any part, term or provision of this Contract shall be held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining portions or provisions shall not be affected thereby.

10. LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE

The Contractor represents that it will obtain a City of Los Angeles Business Tax Registration Certificate (s) required by the City of Los Angeles Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following, of the Los Angeles Municipal Code). For the term covered by this Contract, the Contractor shall maintain, or obtain as necessary, all such Certificates required of it under said Ordinance and shall not allow any such Certificate to be revoked or suspended.

11. SOLICITATION OF CONTRIBUTIONS

(a) Fiduciaries of the Plan are prohibited from soliciting, directing, or receiving any contribution from Contractor. This prohibition applies to members of Retirement staff, Retirement Board, Board of Commissioners, Mayor's Office, Union staff, City Council, or other person engaged in business for gain, seeking to engage in business for gain, or who has a proceeding pending before the Board or has had such a matter pending during the preceding twelve (12) months. The Board shall be responsible for providing the Contractor an updated and accurate list of persons covered by this section.

Definitions:

- i. "Fiduciary" is defined as a member of the Board, and executive and senior management staff.
- ii. "Person" means a natural person or business entity of any type, and includes all directors, partners, officers and agents of such business entity.
- iii. "Business for gain" is defined as any contract for goods or services, and any investment related contract.
- iv. "Proceeding pending" means all ministerial, administrative and legislative matters, potential contracts, current contracts and contracts with the Board that have expired or terminated within the past twelve (12) months.

(b) In the event any member of the Board or any executive or senior staff of the Board, or any person claiming to represent or to have influence with either the Board or with any member of the Board, contacts the Contractor with respect to a contribution, the Contractor shall promptly report by telephone and in writing such contact to the President of the Board and the Retirement Plan Manager.

(c) The Contractor further agrees to furnish an annual certification, attested to by a responsible officer of Contractor's firm. The certification shall describe each contact reportable under the foregoing paragraph, listing the date(s) of such contact, the person making the contact and the subject matter of the contact. The certification shall state that except as specifically described in the certification, no member of either the Board, executive or senior management staff of such Board, any Commissioner, any member of the City Attorney's Office, the Mayor, Vice mayor, Union staff, City Council, any active or inactive person employed by the Department of Water and Power, and no person claiming to represent or have influence with the Board has contacted Contractor with respect to soliciting, directing or receiving any contribution. Such certification shall be filed, with the President of the Board or with the Retirement Plan Manager, annually by January 30th of each year for the preceding calendar year.

12. CHILD SUPPORT ASSIGNMENT ORDERS

This Contract is subject to Section 10.10, Article 1, Chapter 1, Division 10 of the Los Angeles Administrative Code, Child Support Assignment Orders. Contractor is required to complete a Certification of Compliance with Child Support Obligations, which is incorporated herein by this reference.

13. STATE LAW REQUIREMENTS – PROTECTION OF PERSONAL INFORMATION

(a) State law (See Civil Code Sections 1798.29, 1798.81.5 and 1798.82, as amended) requires a person or entity that owns or licenses computerized data that includes personal information, of a California resident, to disclose any breach of the data base security system and to implement and maintain procedures and practices to protect personal information from unauthorized access, destruction, use, modification, or disclosure and, shall require by contract, that non-affiliated third recipients of such personal information, implement and maintain security procedures and practices to protect the personal information. Accordingly, if the Board entrusts the Contractor with any personal information that concerns a California resident, the Contractor agrees that it will implement and maintain such security procedures and practices, in conformance with Civil Code Sections 1798.29, 1798.81.5 and 1798.82, with respect to any personal identification information received under this Contract, as well as to notify the Plan management and the Board of any breach in security. In addition, the Contractor shall not share, disclose, or in any way transfer the personal identification information without the written approval of the Plan management, or the Board.

(b) The Contractor shall be responsible for any and all liabilities, including but not limited to those stated below in this paragraph, that result from any violation of Civil Code Sections 1798.29, 1898.81.5 and/or 1798.82 that the Contractor, its employees, agents, or subcontractors may cause pursuant to the activities performed by any of them under this Contract. Accordingly, the Contractor agrees to indemnify and hold harmless the City of Los Angeles, its respective agencies and commissioners, the Department, the Commissioners, the Board, the Plan and all its officers, employees, and authorized agents and, at the option of the City, to provide a defense, reasonably acceptable to the City, for the Department and/or the Board against any and all suits and causes of action, claims, charges, damages, demands, judgments, civil fines and penalties, or losses of any kind or nature whatsoever caused or brought by any person, including any aggrieved party, as defined in Civil Code Sections 1798.29 and 1798.82, arising out of the Contractor's breach of any of its duties and obligations under Civil Code Sections 1798.29, 1798.81.5 and/or 1798.82,. The indemnification herein includes all awards, damages, interest, costs and attorney's fees, if any. Such defense will be consistent with the City Charter of the City of Los Angeles, Sections 271, 272 and 273.

(c) The Contractor hereby agrees the definition of the "Personal Information", above includes medical information and health insurance information.

(d) Medical information is further defined as any information regarding an individual's medical history, mental or physical condition, or medical treatment or diagnosis by a

health care professional, and health insurance information is further defined to include an individual's health insurance policy number or subscriber information number, any unique identifier used by a health insurer to identify the individual, or any information in an individual's application and claims history, including any appeals records.

14. SIGNATORIES OF CONTRACT, NOTICES, COMMUNICATIONS, AMENDMENTS

The individuals whose signatures appear below warrant that they have full authority to execute this Contract on behalf of the party on whose behalf they have affixed their signatures to this Contract.

The parties recognize any notices and other communications on behalf of the Board or Contractor shall be made by the following individuals (whether verbally or in writing as applicable under the terms of this Contract):