



## **KENTUCKY PUBLIC PENSIONS AUTHORITY**

**Ryan Barrow, Executive Director**

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### **REQUEST FOR PROPOSALS (“RFP”) for INVESTMENT COST EFFICIENCY SERVICES**

**RELEASE DATE: July 9, 2025**

**DEADLINE FOR INQUIRIES: July 18, 2025, 5:00 P.M. (EST)**

**DEADLINE FOR SUBMISSION: August 11, 2025, 5:00 P.M. (EST)**

## **SECTION 1 – INTRODUCTION**

### **1.1 Title**

Request for Proposals (“RFP”) for Investment Cost Efficiency Services for the Kentucky Public Pensions Authority (“KPPA” or the “Systems”).

### **1.2 Overview of Request for Services**

KPPA is requesting proposals from all qualified firms (“Respondent” or “Proposer”) who wish to be considered as a vendor to provide Investment Cost Efficiency Services for the prudent management of the investment portfolios. The objective of this RFP is to solicit competitive proposals from qualified vendors in sufficient detail to permit objective evaluation which may result in a contract to provide the specified services to KPPA. KPPA prefers to contract with a single firm with broad expertise; however, KPPA may consider carving out specific services in order to contract with firms that provide exemplary expertise and thoughtfulness in an identified area. A proposer’s preparation and submittal of a proposal or subsequent participation in presentations or contract negotiations creates no obligation on KPPA to award a contract or to pay any associated costs. All proposals and related materials will be retained by KPPA.

### **1.3 KPPA Background and Portfolio Overview**

The Kentucky Public Pensions Authority is the special-purpose government instrumentality established by statute, responsible for the day-to-day administration of the County Employees Retirement System (CERS) and the Kentucky Retirement Systems (KRS), comprising the Kentucky Employees Retirement System (KERS) and the State Police Retirement System (SPRS). KPPA is responsible for the investment of funds and administration of pension and health insurance benefits for nearly 435,000 state and local government employees, state police officers, and nonteaching staff of local school boards and regional universities. Daily system activities, including administrative support, investment management, benefits counseling, accounting and payroll functions, and legal services, are performed by a staff of professional employees working as the KPPA. The systems are administered by two nine-member boards of trustees who serve as the principal fiduciaries. The governance of CERS rests with the nine-member CERS Board of Trustees. A nine-member board of trustees called the Kentucky Retirement Systems (KRS) oversees KERS and SPRS. The KPPA is governed by an eight-member board composed of an equal number of trustees from CERS and KRS. Investments are managed by professional investment management firms and the KPPA Investment Staff based upon statutory investment authority and the investment policies adopted by the KRS and CERS Investment Committees and ratified by the KRS and CERS Boards of Trustees.

For additional information regarding KPPA and the Systems, please access:

<https://www.kyret.ky.gov/Pages/index.aspx>

A copy of the most recent Annual Reports may be reviewed a

<https://www.kyret.ky.gov/Publications/Pages/Annual-Reports.aspx>

KPPA manages approximately \$29.8 billion dollars across the Pension and Insurance Plans. The Plans have assumed rates of return on invested assets ranging from of 5.25% to 6.50%. Each portfolio has a unique asset allocation as specified in its respective Investment Policy Statement with cumulative total exposures across the Systems of:

<b>Asset Class</b>	<b>Fair Value (\$ in Millions)</b>	<b>Number of Managers/Investment Vehicles</b>
Public Equity	\$13,338	13 / 14
Private Equity	\$1,647	33 / 56
Core Fixed Income & Liquidity	\$5,253	2 / 2
Specialty Credit	\$6,076	12 / 17
Real Return	\$1,974	21 / 25
Real Estate	\$1,520	12 / 16
<b>Total</b>	<b>\$29,808</b>	

## **1.4 Issuer**

KPPA is issuing this RFP in accordance with Kentucky statutes governing the procurement of services and certain administrative policies of KRS and CERS.

## **1.5 Contacts**

Inquiries from Respondents are not to be directed to any KPPA staff or Trustee or employee of CERS or KRS, except as outlined in Section 1.11 of this RFP. Such unauthorized communication(s) may disqualify Respondent from further consideration. An exception to this rule applies to firms that currently do business with KPPA, but any contact made by such firm(s) with persons should be limited to that business and should not relate to this RFP. In addition, such firms should not discuss this RFP with any employee of KPPA's custodian (Bank of New York Mellon), outside managers, or consultants.

## **1.6 Invitation to Submit Proposals**

Respondents that would like to provide services as described above and more fully in Section 3, herein, may submit proposals for consideration. All submitted responses to this RFP must be accompanied by a transmittal letter that should be signed by at least one individual who is authorized to bind the firm contractually. This letter must include: (i) the firm name, address, E-mail address and telephone/fax numbers; (ii) the client contact; (iii) the title or position which the signer of the cover letter holds in the firm; and (iv) a statement to the effect that the Response is a firm and irrevocable offer of the firm. The Representations and Warranties contained in Section 4 of this RFP, signed by an authorized officer of the firm, must be included as an attachment to the cover letter.

**All responses must be received by Kentucky Public Pensions Authority no later than August 11, 2025, at 5:00 P.M. EST, to:**

Steve Willer  
c/o Kentucky Public Pensions Authority  
1260 Louisville Road  
Frankfort, KY 40601  
Steve.Willer@kyret.ky.gov

Any proposal received after the due date will not be considered.

## **1.7 Modification or Withdrawal of Offers**

Responses to this RFP may be modified or withdrawn in writing by E-mail if modifications are received prior to the date specified for receipt of proposals. Modification to a proposal received after the date specified for receipt of proposals will not be considered.

KPPA may, at its option, allow all Respondents a seven-calendar-day period to correct errors or omissions to their proposals. Should this necessity arise, KPPA will contact each Respondent affected. Each Respondent must submit written corrections to the proposal within seven calendar days of notification. The intent of this option is to allow proposals with only minor errors or omissions to be corrected as deemed necessary by KPPA. Major errors or omissions, such as the failure to include prices, will not be considered by KPPA as a minor error or omission and may result in disqualification of the proposal from further consideration.

## **1.8 Discussion Format**

KPPA reserves the right to conduct discussions, either oral or written, with those Respondents determined by KPPA to be reasonably viable to being selected for award. KPPA also reserves the right to seek clarification to resolve issues as deemed necessary by KPPA.

## 1.9 Compliance Certification

Responses to this RFP serve as a representation that the Respondent and its principals, have no current or outstanding criminal, civil, or enforcement actions initiated by the Commonwealth of Kentucky, other states, or federal agencies, and Respondent agrees that it will immediately notify KPPA of such actions or investigations should they arise. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees, or other statutory, regulatory, or judicially required payments to the Commonwealth of Kentucky. The Respondent agrees that KPPA may initiate a background check on the Respondent and/or its principals in order to confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that KPPA may bar the Respondent from contracting with KPPA, cancel existing contracts, withhold payments to set off such obligations, and withhold further payments or purchases until the entity is current in its liability to the Commonwealth of Kentucky and has submitted proof of such payment to KPPA.

## 1.10 Inquiry Procedures

Respondents may submit questions about the RFP to the Official Contact, designated in Section 1.11 of this RFP, on or before July 18, 2025. Questions must be in writing and submitted by E-mail and should clearly reference this Investment Cost Efficiency Services RFP. Questions will not be accepted over the telephone. Anonymous questions will not be answered. KPPA reserves the right to provide a combined answer to similar questions and to decline to answer any question. KPPA will distribute answers to the questions in the manner they deem appropriate and reserves the right to respond to more than one candidate firm regarding a particular question or subject.

## 1.11 Official KPPA Contact

All communications with KPPA pertaining to this RFP must be directed to the Official Contact, **Steve Willer**, whose contact information is as follows:

Steve Willer, CIO  
Kentucky Public Pensions Authority  
1260 Louisville Road  
Frankfort, KY 40601  
502-696-8490  
[Steve.Willer@kyret.ky.gov](mailto:Steve.Willer@kyret.ky.gov)

## **1.12 RFP Timeline**

The following timeline, up to and including the Deadline for Submitting Proposals, shall be changed only by an amendment to this RFP. Dates after the Deadline for Submitting Proposals are target dates only.

July 9, 2025	Release RFP.
July 18, 2025	Deadline for applicants to submit questions to KPPA.
July 30, 2025	Deadline for KPPA to respond to questions submitted.
August 11, 2025	Deadline for submission of Response to RFP.

## **SECTION 2 – PROPOSAL CONTENT REQUIREMENTS**

### **2.1 General Instructions**

To facilitate the timely evaluation of proposals, a standard format for proposal submission is documented in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below. A complete proposal must be submitted electronically per the guidelines in Sections 1 and 2 of this RFP and must include the following:

- A transmittal letter (with the information described in Section 2.2 of this RFP).
- A business proposal (with the information and attachments described in Section 2.3 of this RFP).
- A fee proposal (with the information described in Section 2.4 of this RFP).
- The required documents described in Appendix A.

### **2.2 Transmittal Letter**

The transmittal letter must be in the form of a letter and must address the following topics:

#### **2.2.1 Identification of RFP**

The transmittal letter must first identify the RFP title.

#### **2.2.2 Identification of Vendor**

The transmittal letter must identify the following information:

- Name of Respondent Firm
- Business Location
- Mailing Address

- Respondent's Authorized Representative(s)
  - Name(s) and Title(s)
  - Telephone Number(s)
  - E-mail Address(es)

### **2.2.3 Summary of Ability and Desire to Supply the Required Services**

The transmittal letter must briefly summarize the Respondent's ability to supply the requested services and the contents of the Business Proposal. The letter must also contain (i) a statement indicating the Respondent has the capacity to provide the requested services subject to the terms and conditions set forth in this RFP. (ii) A statement that the Respondent meets the minimum contractor qualifications. If a Respondent does not meet any of the minimum contractor qualifications, it must identify which qualification(s) it does not meet and make a detailed case as to why KPPA should consider the firm and its services. (iii) A statement that the Respondent has thoroughly reviewed the RFP and acknowledges and accepts all terms and conditions included in the RFP.

### **2.2.4 Signature of Authorized Representative**

Respondents must designate an authorized representative and one alternate. An authorized representative of the Respondent and the alternate must sign the transmittal letter. Respondent individuals signing the transmittal letter of the proposal must be legally authorized by the organization to commit the organization contractually.

### **2.2.5 Confidential Information**

Respondents are advised that KPPA is an agency of the Commonwealth of Kentucky and its records, including responses to this RFP, are subject to public inspection and disclosure under the Kentucky Open Records Act, Kentucky Revised Statute 61.872 et. seq. In accordance with the policies of KPPA, all responses to this RFP shall become the property of KPPA and will be kept confidential until such time as a contract is executed or negotiations for the award of such contract have ended. Thereafter, submissions are subject to public inspection and disclosure in accordance with Kentucky law.

If a Respondent in good faith believes that any portion of its submission is exempt from public disclosure, then in order to maintain confidentiality, the Respondent: (i) should include an explanation containing the precise statutory basis for such exemption from disclosure, and (ii) provide a redacted version of their Response to RFP, clearly marked "Redacted by RFP Respondent". KPPA shall, without any obligation to give prior notice, provide the redacted RFP documents in response to public records requests and will not be held liable for any disclosure of such information, materials or data.

By submitting a redacted version of their Response to RFP, the Respondent: (i) represents that it has a good faith reasonable belief that such information is exempt from disclosure under Kentucky law pursuant to the precise statutory basis for such exemption, and (ii) agrees to reimburse KPPA for, and to indemnify, defend and hold harmless KPPA, its officers, fiduciaries, employees and agents from and against, any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs and expenses including, without limitation, attorneys' fees, expenses and court costs of any nature whatsoever arising from or relating to KPPA disclosure of the Response to RFP.

#### **2.2.6 Other Information**

Any other information the Respondent may wish to briefly summarize will be acceptable.

### **2.3 Business Proposal**

Please complete the sections listed below.

#### **2.3.1 Executive Summary**

Provide a high-level description of the proposed scope of services.

#### **2.3.2 Comprehensive Firm Overview**

See Appendix A Questionnaire.

#### **2.3.3 Relevant Experience**

See Appendix A Questionnaire.

#### **2.3.4 Required Questionnaire, Appendix A**

Complete the questionnaire, Appendix A.

### **2.4 Fee Proposal**

Please provide details on your proposed fees and methodology, including a fixed fee and/or a contingent fee basis. Fees must be submitted in U.S. dollars. The Services detailed in Section 3 of this RFP are the basis for the proposed fees. The proposed fees shall include all costs for providing Services to KPPA as described and shall be guaranteed through the contract term. In no case will the final fee be higher than the fee contained in the Proposal. For purposes of the Fee Proposal, a three-year period should be used for Public markets fee validation while Private markets should be since inception.



**FAILURE TO SUBMIT A DETAILED FEE PROPOSAL WILL ELIMINATE A RESPONDENT'S ORGANIZATION FROM CONSIDERATION.**

### **SECTION 3 – SCOPE OF SERVICES**

KPPA is seeking proposals to retain a qualified firm to perform an Investment Cost Efficiency analysis. This analysis will evaluate current investment and investment related contracts in the areas of risk, cost and process efficiency, as well as contract compliance. The successful vendor will determine if the service provider is not only compliant with the current contract terms, but whether the contracted terms contain market terms or if there are savings that may be had (by renegotiating non-competitive terms); if there are efficiencies that may be implemented in the services provided which may lead to cost savings (or that may have become standard in the industry since the contract was entered into). If there are improvements to be made in any of these areas the successful vendor may or may not be authorized by KPPA to renegotiate contracts on behalf of KPPA. The analysis should include the following:

1. Benchmarking and comparative analysis of the cost metrics of the Systems, including investment management fees and expenses across the full range of KPPA's asset classes and cross asset services.
2. Validation of previously paid Fees and Expenses for KPPA's externally managed Public and Private portfolios. Verifying that each fund manager correctly billed management Fees and Expenses as set forth in the signed fund documents, as may have been amended from time to time.
3. Review of external investment manager and investment-related legal documents for contract compliance and non-market standard or non-competitive terms.

**Important Notice:** A Firm that has experience and is qualified to perform only part of this scope of services may still submit a proposal for specific services to be provided. KPPA may select one Firm or multiple Firms for the engagement.

### **SECTION 4 – REPRESENTATIONS AND WARRANTIES**

All respondents are required to submit an executed copy of the following Representations and Warranties as an attachment to the transmittal letter described in Section 2 of this RFP:

1. Respondent warrants that it has completed, obtained, and performed all registrations, filings, approvals, authorizations, consents or examinations required by a government or governmental authorities;
2. Respondent warrants that it has established ethics and conflicts of interest policies and procedures, and proper internal compliance controls are in place;

3. Respondent warrants that it has not paid and will not pay, has not given and will not give, any remuneration or value directly or indirectly to KPPA or any of its board members, officers, employees, officials of the Commonwealth of Kentucky, or agents, or any third party except as disclosed to KPPA with its response to this RFP or otherwise, including, but not limited to: gifts, a finder's fee, cash solicitation fee, or a fee for consulting, lobbying or otherwise;
4. Respondent acknowledges and warrants that no funds of the systems administered by KPPA, including fees and commissions paid to an investment manager, private fund, or company issuing securities, who manages system assets, shall be used to pay fees and commissions to placement agents pursuant to Kentucky Revised Statute 61.645.

## **SECTION 5 – SELECTION PROCESS AND EVALUATION CRITERIA**

KPPA staff will evaluate each Response to determine if it is submitted in accordance with the requirements set forth in this RFP. All non-qualifying Responses not subject to the waiver/cure of minor information will be rejected at this time and the responding firm so notified. Respondents' submissions will be evaluated against the following criteria on the basis of their written responses to this RFP and any other additional written information, references, oral interviews, in-person meetings, staff research, or other factors determined by the KPPA staff to be important to the performance of the services.

- a. Qualifications, depth, and experience of personnel, including key personnel servicing the KPPA relationship, as well as the breadth and depth of other professionals who may provide services to KPPA as needed.
- b. Organizational strength including, but not limited to: tenure of firm, stability of firm, longevity of key personnel, financial condition, industry reputation, client list.
- c. Fee proposal.
- d. Quality of proposal, including its clarity, completeness, and responsiveness to requested information and demonstrated ability to complete work in a timely manner.
- e. Absence of actual or perceived conflicts of interest at the firm level and by all key personnel.
- f. Respondent firm's ownership and incentive structure.
- g. References and information offered by them about Respondent.
- h. Evaluation of the quality and appropriateness of Questionnaire answers.
- i. Additional qualifying factors, as determined relevant by KPPA.

Based on the results of this process, the qualifying proposal(s) determined to be the most advantageous to KPPA, considering all of the evaluation factors, may be selected by KPPA for contract award. If, however,

KPPA decides that no proposal is sufficiently advantageous, KPPA may take whatever further action is deemed best in its sole discretion, including making no contract award or issuing a new RFP. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, KPPA may begin contract negotiation with another qualified Respondent.

KPPA reserves the right to discuss and further clarify proposals with any or all respondents. Additionally, KPPA may reject any or all proposals received or to award, without discussions or clarifications, a contract based on proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint. KPPA also reserves the right to divide the services between two or more respondents, in its sole discretion, in all respects.

## **SECTION 6 – RFP TERMS AND CONDITIONS**

KPPA makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the information in the RFP and nothing contained herein is or shall be relied upon as a promise or representation, whether as to the past or the future. The RFP does not purport to contain all of the information that may be required to evaluate the RFP and any recipient hereof should conduct its own independent analysis of KPPA and the data contained or referenced herein. KPPA does not anticipate updating or otherwise revising the RFP. However, this RFP may be withdrawn, rescinded, modified, or re-circulated at any time at the sole discretion of KPPA.

KPPA reserves the right, at its sole discretion and without giving reasons or notice, at any time and in any respect, to alter these procedures, to change and alter any and all criteria, to terminate discussions, to accept or reject any Response, in whole or in part, to negotiate modifications or revisions to a Response and to negotiate with any one or more respondents to the RFP.

KPPA is not and will not be under any obligation to accept, review or consider any Response to the RFP, and is not and will not be under any obligation to accept the lowest offer submitted or any offer at all. KPPA is not and will not be under any obligation to any recipient of, or any respondent to, the RFP except as expressly stated in any binding agreement ultimately entered into with one or more parties, either as part of this RFP process, or otherwise.

This RFP is not an offer but a request to receive a Response. KPPA will consider a Response as an offer to develop an agreement based upon the contents of the Response. Respondents agree that the contents of their Responses are valid for one year from the date of submission. KPPA will not be liable for any costs incurred in the preparation of a Response and will not reimburse any respondents for their submission. Expenses related to the production of a Response are the sole responsibility of the Respondent.

Any Response submitted will become the property of KPPA. KPPA reserves the right to retain all Responses submitted, and to use any information contained in a Response except as otherwise prohibited by law.

## **APPENDIX A – QUESTIONNAIRE**

### **Kentucky Public Pensions Authority Investment Cost Efficiency Services**

The following questionnaire must be completed and included with the Proposal. The questionnaire has been prepared to obtain responses relative to the Respondent's capability to provide Investment Cost Efficiency services. Responses should include detailed information about your firm's capabilities and processes for delivering the required services outlined in Section 3. You should also include qualitative information about your firm, your employees, your investment philosophy, and the process by which you engage a client like KPPA.

#### ***1. Firm Qualifications***

The Firm is required to:

- a. Provide a detailed profile of the Firm, including the year of formation and a timeline of any major changes to its legal, organizational or ownership structure. Please include any expected future changes (over the next three years) to your firm's legal, organizational or ownership structure.
- b. List any subsidiaries, affiliates or joint ventures and briefly describe the nature of each relationship, respective ownership structure and any revenue/profit sharing arrangements between your firm and all relevant entities
- c. Provide details regarding all lines of business, services offered and sources of revenue for the Firm, the size and location of each business line, the size of the Firm's experts for the services specified in this RFP (e.g., is this a distinct group within your Firm), and the location of the office from which the work on these engagements is to be performed.
- d. Describe any litigation regarding your firm's services, or other legal proceedings or governmental investigation. Provide an explanation and indicate the current status.
- e. Demonstrate that the Firm possesses strong knowledge of benchmarking, contract compliance and recalculation, verification and validation of Fees and Expenses for all asset classes and all relevant legal structures (i.e. separate accounts, limited partnerships, comingled investments trusts, etc.) as demonstrated by prior experience, particularly with pension/retirement systems, endowments, or foundations.
- f. Describe your Firm's competitive advantage any services or tools provided to clients that you feel sets your firm apart from other firms offering similar services.

- g. List institutional clients served by your Firm relating to this type of service including:
- Name and type of organization (i.e., public fund, corporate plan, endowment)
  - Total assets under management
  - Description of Services Provided
  - Dates of service
- h. List and describe the Firm's relationships, if any, involving current or former KPPA, KRS or CERS employees or Board members with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed engagements.
- i. Does your Firm or related entities receive any payments from money managers and/or non- client third parties? If yes, please provide additional detail about all arrangements in place.
- j. Describe the Firm's compensation and incentive arrangements for professional staff. What specific incentives are employed to ensure key professionals do not leave your firm?
- k. Describe any circumstances that could conflict with your Firm's duty to provide unbiased service to KPPA, including any significant personal or business relationships of your firm or its key personnel that could affect services provided on KPPA's behalf.
- l. Discuss the areas in which your firm is most likely to add value to KPPA.

## **2. Business References**

The Firm should list three clients for which the Firm performed services similar to the services being proposed in the last five years. Each business reference should include the following:

- Client's name and address
- Principal client contact name, title, E-mail, and phone number
- A brief statement on scope of work
- Assets under management
- Client type (e.g., public pension, endowment, private pension)

By submitting a proposal, the Firm authorizes KPPA to contact the clients listed for comments regarding the services.

### **3. Team Qualifications and Experience**

- a. The Firm shall identify proposed team members by name and title, and describe their competency, knowledge, and qualifications with particular emphasis on experience related to benchmarking, contract compliance and recalculation, verification and validation of Fees and Expenses.
- b. For each team member, provide their tenure with your Firm. Provide the name, title, role, year of departure and reason for departure for all professional employees that left the firm over the past three years.

### **4. Benchmarking and Comparative Analysis**

The proposal should set forth a work plan to perform the benchmarking and comparative analysis services required, including an explanation of the methodology to be followed. Respondents to the RFP are required to provide the following information on their approach:

- a. Describe your available benchmarking data including source, size and composition (pension/retirement systems, endowments, foundations) and geography.
- b. Method for determining and selecting appropriate Peer groups or Industry data for Public and Private market investments.
- c. Method for obtaining the information and data needed to perform the analysis. Identify and describe any anticipated potential issues (including those due to difficulty accessing fund manager supporting data), the Firm's approach for resolving these problems, and any special assistance requested from KPPA.
- d. How you consider Most Favored Nation contract provisions or practices.
- e. The typical timeline for performing a full benchmarking and comparative analysis.
- f. Have you ever successfully renegotiated fees on behalf of a client?

### **5. Validation of Fees and Expenses**

The proposal should set forth a work plan to perform the services required, including an explanation of the methodology to be followed. Respondents to the RFP are required to provide the following information on their approach:

- a. Method for gathering and validating the information and data needed to recalculate and validate previously paid fees and expenses. Identify and describe any anticipated potential issues (including those due to difficulty accessing fund manager supporting data), the

Firm's approach for resolving these problems, and any special assistance requested from KPPA.

- b. Process for recalculating and verifying Fees and Expenses for Public and Private market investments.
- c. Description of methods for documenting and demonstrating recalculations and verifications.
- d. Describe your methodology for uncovering embedded costs that are not readily identifiable.
- e. The typical timeline for performing a validation of previously paid fees and expenses.
- f. Describe typical findings identified by asset class.
- g. Provide examples of three actual findings for Private Market investments and three actual findings for Public Market investments and the ultimate outcomes for Asset Owners.

## **6. *Contract Compliance***

The proposal should set forth a work plan to perform the review of external investment manager and investment related legal documents for contract compliance and non-market standard or non-competitive terms, including an explanation of the methodology to be followed. Respondents to the RFP are required to provide the following information on their approach:

- a. Method for gathering and validating the information and data needed to review external investment manager and investment related legal documents for contract compliance and non-market standard or non-competitive terms. Identify and describe any anticipated potential issues (including those due to difficulty accessing fund manager supporting data), the Firm's approach for resolving these problems, and any special assistance requested from KPPA.
- b. Describe typical findings identified by asset class.
- c. Provide examples of findings and the ultimate outcomes for Asset Owners.
- d. Have you ever successfully renegotiated contract terms on behalf of a client?

## **7. *Sample Reports and Deliverables***

Provide two sample reports resulting from similar services performed by your Firm. Redactions to protect sensitive and confidential information are permitted.

## APPENDIX B – NON-NEGOTIABLE CONTRACT TERMS

1. **Controlling Law & Jurisdiction.** To the extent that the interpretation or effect of this Agreement shall depend upon state law, the laws of the Commonwealth of Kentucky shall control in all matters relating to this Agreement. Pursuant to KRS 61.650(1)(e) and KRS 78.790(1)(e), any legal proceeding arising out of this Agreement shall be brought in the Commonwealth of Kentucky, County of Franklin, without regard to principles of conflicts of laws.
2. **Confidentiality.** The client hereby represents, warrants, and covenants that it is a public agency of the Commonwealth subject to (i) Kentucky’s public records law (the “Open Records Act”), Kentucky Revised Statutes sections 61.870 to 61.884, which provide generally that all records relating to a public agency’s business are open to public inspection and copying unless exempted under the Open Records Act, (ii) Kentucky Revised Statutes sections 61.645(19)(i) and 78.782(18)(i) (the “Fee Disclosure Laws”) which require the disclosure of certain fees paid by the client, and (iii) Kentucky Revised Statutes sections 61.645(19)(l), 61.645(20) as well as 78.782(18)(l) (the “Document Disclosure Laws” and collectively with the Open Records Act and the Fee Disclosure Law, the “Public Disclosure Laws”), which provide generally that all contracts or offering documents for services, goods, or property purchased or utilized by the Client shall be posted on Client’s website and made available to the public unless exempted under the Document Disclosure Laws. Based solely on the foregoing representations, notwithstanding any provision in the Agreement to the contrary, the Vendor hereby agrees that (i) the Client must treat all information received from the Vendor regarding the Account as open to public inspection under the Public Disclosure Laws, unless such information falls within an exemption under the Public Disclosure Laws, and the Client will not be deemed to be in violation of any provision of the Agreement relating to confidentiality if the Vendor discloses or makes available to the public (e.g., via Client’s website) any information.
3. **Indemnification:** The Vendor acknowledges that the Client has advised it that indemnification obligations under the Agreement that may be attributed to the Client are not expressly authorized by the laws of the Commonwealth of Kentucky. The Client hereby represents and warrants that (a) the Client is legally prohibited by the laws of the Commonwealth of Kentucky to agree to indemnification obligations under the Agreement, and (b) the Client does not, as a matter of policy and in compliance with such laws, consent to any such indemnification provision(s). *See Kentucky Constitution Sections 50, 171, & 177.* Based solely on the representations and warranties in the immediately preceding sentence, and only so long as such representations and warranties are true and correct, the Vendor hereby agrees that the Client shall have no obligation to provide indemnification pursuant to any provision within the Agreement to any person (including, without limitation, to any indemnified Person set forth in the Agreement).
4. **Conflicts of Interest.** The Vendor must disclose any actual or potential conflicts of interest that exist between employees of Vendor and any member or employee of the County Employees Retirement System, the Kentucky Retirement Systems, or the Kentucky Public Pensions



Authority. The client reserves the unqualified right to disqualify any entity or cancel any contract for any actual or potential conflict of interest issues raised initially and/or during the life of any contract awarded.

5. **Ethics.** The parties hereby swear or affirm, under penalty prescribed by law or perjury, that neither he/she, individually, nor, to the best of his/her knowledge and belief, the corporation, partnership, or other business entity which he/she represents in connection with this procurement, has knowingly violated any provisions of the Executive Branch Code of Ethics of the Commonwealth of Kentucky, pursuant to KRS 11A.001 to KRS 11A.990, and that the award of a contract to/from him/her, individually, or to/from the corporation, partnership or other business entity which he/she represents, will not violate any of the above-referenced statutes.
6. **No Waiver of Rights.** Client reserves all immunities, defenses, rights or actions arising (i) out of the clients' sovereign status under the laws of the Commonwealth of Kentucky or (ii) under the Eleventh Amendment to the United States Constitution, and no waiver of any such immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the clients' entry into the Agreement.
7. Contractor may not assign any of its rights or delegate or subcontract any of its duties hereunder without client's prior written consent, which consent may be granted or withheld in client's sole discretion. Any attempted assignment or delegation in violation of this provision is void and entitles client to terminate this Agreement. Despite client's consent, no assignment releases Contractor of any of its obligations or alters any of its primary obligations to be performed under this Agreement. Payments to any assignee under this Agreement shall be subject to set-off, recoupment, or other reduction for any claim that client may have against Vendor. If Vendor is a partnership, this Agreement inures to the benefit of the surviving or remaining partners of such partnership.