



**MARYLAND STATE RETIREMENT AGENCY  
120 EAST BALTIMORE STREET  
BALTIMORE, MARYLAND 21202**

**REQUEST FOR PROPOSALS (RFP)  
FOR NON-DISCRETIONARY PRIVATE MARKET  
INVESTMENT CONSULTING SERVICES:  
PRIVATE EQUITY, PRIVATE CREDIT, PRIVATE  
INFRASTRUCTURE, AND PRIVATE REAL ASSETS  
(excluding real estate)**

**ISSUE DATE: SEPTEMBER 20, 2019**

**NOTICE**

A Prospective Offeror that has received this document from the Maryland State Retirement Agency's website or <https://procurement.maryland.gov>, or that has received this document from a source other than the Procurement Officer, and that wishes to assure receipt of any changes or additional materials related to this RFP, should immediately contact the Procurement Officer and provide the Prospective Offeror's name and mailing address so that addenda to the RFP or other communications can be sent to the Prospective Offeror.

**Minority Business Enterprises Are Encouraged to Respond to this Solicitation**

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## VENDOR COMMENTS

To help us improve the quality of State solicitations, and to make our procurement process more responsive and business friendly, take a few minutes and provide comments and suggestions regarding this solicitation. Please return your comments with your response. If you have chosen not to respond to this solicitation, please email or fax this completed form to the attention of the Procurement Officer (see Key Information Sheet below for contact information).

Solicitation entitled: **Non-Discretionary Private Market Investment Consulting Services**

1. If you have chosen not to respond to this solicitation, please indicate the reason(s) below:

- Other commitments preclude our participation at this time.
- The subject of the solicitation is not something we ordinarily provide.
- We are inexperienced in the work required.
- Specifications are unclear, too restrictive, etc. (Explain in REMARKS section.)
- The scope of work is beyond our present capacity.
- Doing business with the State of Maryland is simply too complicated. (Explain in REMARKS section.)
- We cannot be competitive. (Explain in REMARKS section.)
- Time allotted for completion of the Proposal is insufficient.
- Start-up time is insufficient.
- Bonding/Insurance requirements are restrictive. (Explain in REMARKS section.)
- Proposal requirements (other than specifications) are unreasonable or too risky. (Explain in REMARKS section.)
- Prior State of Maryland contract experience was unprofitable or otherwise unsatisfactory. (Explain in REMARKS section.)
- Payment schedule too slow.
- Other: \_\_\_\_\_

2. If you have submitted a response to this solicitation, but wish to offer suggestions or express concerns, please use the REMARKS section below. (Attach additional pages as needed.)

REMARKS: \_\_\_\_\_

\_\_\_\_\_

Vendor Name: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

E-mail Address: \_\_\_\_\_

## KEY INFORMATION SUMMARY SHEET

<b>RFP Title:</b>	Non-Discretionary Private Market Investment Consulting Services: Private Equity, Private Credit, Private Infrastructure, and Private Real Assets (excluding Real Estate)
<b>RFP Issue Date:</b>	September 20, 2019
<b>RFP Issuing Agency:</b>	Maryland State Retirement Agency (Agency)
<b>Send Questions to:</b>	Robert Burd peconsultant@sra.state.md.us
<b>Procurement Officer</b>	Robert Burd Maryland State Retirement Agency 120 East Baltimore Street, 12 <sup>th</sup> Floor Baltimore, MD 21202 Phone: 410-625-5571 Email: peconsultant@sra.state.md.us
<b>Proposals are to be sent to:</b>	Maryland State Retirement Agency 120 East Baltimore Street, 16 <sup>th</sup> Floor Baltimore, Maryland 21202 Attention: David Ferguson Email: peconsultant@sra.state.md.us
<b>Contract Manager:</b>	David Ferguson Managing Director Maryland State Retirement Agency 120 East Baltimore Street Baltimore, MD 21202 Office Phone Number: 410-625-5633 Office Fax Number: 410 468-1701
<b>Closing Date and Time:</b>	November 12, 2019 5:00 pm (Local Time)

### NOTICE:

A Prospective Offeror that has received this document from the Maryland State Retirement Agency's website or <https://emaryland.buyspeed.com/bso/>, or that has received this document from a source other than the Procurement Officer, and that wishes to assure receipt of any changes or additional materials related to this RFP, should immediately contact the Procurement Officer and provide the Prospective Offeror's name and mailing address so that addenda to the RFP or other communications can be sent to the Prospective Offeror.

## SECTION 1      GENERAL INFORMATION

### 1.1 Summary Statement

The Maryland State Retirement Agency on behalf of the Board of Trustees for the Maryland State Retirement and Pension System is issuing this Request for Proposals (RFP) to obtain non-discretionary private market investment consulting services as further described in this RFP.

### 1.2 Abbreviations and Definitions

For purposes of this RFP, the following abbreviations or terms have the meanings indicated below:

- 1.2.1    **AGENCY** means the Maryland State Retirement Agency.
- 1.2.2    **BOARD** means the Board of Trustees for the Maryland State Retirement and Pension System.
- 1.2.3    **CIO** means the Chief Investment Officer for the System.
- 1.2.4    **COMAR** means the Code of Maryland Regulations.
- 1.2.5    **CONTRACT** means the contract to be entered into pursuant to this RFP.
- 1.2.6    **CONTRACT MANAGER** means the individual identified by the State as the primary contact for the Contractor in the management of the Contract issued pursuant to this RFP.
- 1.2.7    **CONTRACTOR** means an Offeror who enters into a Contract with the Agency pursuant to this RFP and is a designated company.
- 1.2.8    **FINANCIAL PROPOSAL** means the separate submission of all pricing data that defines the cost of the Offeror's consulting services specified in the Technical Proposal.
- 1.2.9    **INVESTMENT DIVISION** means the Investment Division of the Agency.
- 1.2.10    **LOCAL TIME** means time in the Eastern Time zone as observed by the State of Maryland.
- 1.2.11    **MINORITY BUSINESS ENTERPRISE (MBE)** means any legal entity certified as defined at COMAR 21.01.02.01B(54) which is certified by the Maryland Department of Transportation under COMAR 21.11.03.
- 1.2.12    **OFFEROR** means a vendor who responds to the RFP by submitting a proposal to provide the requested services.
- 1.2.13    **PRIVATE MARKET PROGRAMS** means the System's investments in private equity, private credit, private infrastructure, private real assets (excluding real estate), and venture capital.
- 1.2.14    **RFP** means this Request for Proposals for Non-Discretionary Private Market Investment Consulting Services.

- 1.2.15 **STATE** means the State of Maryland.
- 1.2.16 **SUBCONTRACTOR** means an organization or entity that the Offeror plans to utilize to provide or perform a portion of the services covered under this RFP.
- 1.2.17 **SYSTEM** means the Maryland State Retirement and Pension System.
- 1.2.18 **TECHNICAL PROPOSAL** means the Offeror's proposal submitted to comply with the specifications for consulting services outlined in RFP Section 4.

### **1.3 Exempt From Procurement Regulations**

With few exceptions, this RFP and any Contract entered into as a result hereof are not subject to the provisions of Division II of the State Finance and Procurement Article (Procurement Article). Nonetheless, the requirements of the Procurement Article and COMAR, Title 21, State Procurement Regulations (as amended), will be applied to this RFP to the extent practicable and consistent with obtaining the best consulting services for the System. The appeal procedures contained in the Procurement Article and in the State Procurement Regulations will not apply to this procurement.

### **1.4 Contract Duration**

The Contract resulting from this RFP shall be for a five (5) year term and is expected to begin on or about March 1, 2020. At the sole option of the System, the Contract may be renewed for up to two (2) additional one (1) year periods, subject to the satisfactory performance of the services required to be provided.

### **1.5 Procurement Officer and Contract Manager**

The sole point of contact at the Agency for purposes of this RFP, prior to the award of any contract, is the Procurement Officer identified below:

Robert Burd  
Maryland State Retirement Agency  
120 East Baltimore Street, 12<sup>th</sup> Floor  
Baltimore, MD 21202  
Telephone: 410.625.5571  
Fax: 410.468.1701  
Email: peconsultant@sra.state.md.us

Firms that intend to submit a Proposal should not contact any member of the Investment Committee, any member of the Board of Trustees for the System, the Chief Investment Officer, the Deputy Chief Investment Officer or any staff member of the Agency other than the Procurement Officer. Firms that currently do business with the System may contact persons other than the Procurement Officer, but their contact must be limited to that business, and should not relate to this RFP.

The Contract Manager responsible for administration and management of the Contract issued pursuant to this RFP shall be:

David Ferguson  
Managing Director  
Maryland State Retirement Agency  
120 East Baltimore Street, 12<sup>th</sup> Floor  
Baltimore, Maryland 21202  
Telephone: (410) 625-5633  
Fax: (410) 468-1701  
Email: dferguson@sra.state.md.us

The Agency may change the Procurement Officer and/or the Contract Manager at any time during the pendency of the Contract by notice to the Contractor.

### **1.6 Pre-Proposal Conference**

There will be no pre-proposal conference.

### **1.7 Use of eMaryland Marketplace**

Each Offeror is requested to indicate its eMaryland Marketplace vendor number in the Transmittal Letter submitted at the time of its proposal submission to this RFP.

eMaryland Marketplace (eMMA) (<https://procurement.maryland.gov>) is a free electronic commerce system administered by the Maryland Department of General Services. In addition to using the Agency's website ([www.sra.state.md.us](http://www.sra.state.md.us)) and possibly other means for transmitting the RFP and associated materials, the solicitation, Offeror questions and the Procurement Officer's responses, addenda, and all other solicitation related material will be provided via eMMA.

In order to receive a Contract award, a Contractor must be registered on eMMA. Information about eMMA can be found on the website at <https://procurement.maryland.gov>.

### **1.8 Questions**

Questions will be accepted from prospective Offerors. All questions must be submitted in writing via email to [peconsultant@sra.state.md.us](mailto:peconsultant@sra.state.md.us) prior to 5:00 p.m. on October 7, 2019. Answers to questions received will be posted on <https://procurement.maryland.gov> as an Addendum, as well as the Agency's website. Questions received after 5:00 p.m. on October 7, 2019 will be answered only if time permits and at the sole discretion of the Procurement Officer.

### **1.9 Proposals Due (Closing) Date**

Proposals, in the number and form set forth in RFP Section 4.2 "Proposals" must be received by the Procurement Officer at the Procurement Officer's address no later than the Proposal Due date and time indicated on the RFP Key Information Summary Sheet (near the beginning of the solicitation) in order to be considered.

Requests for extension of this time or date will not be granted. Offerors mailing Proposals should allow sufficient mail delivery time to ensure timely receipt by the Procurement Officer. Except as provided in



COMAR 21.05.03.02.F and 21.05.02.10, Proposals received after the due date and time listed in the RFP Key Information Summary Sheet will not be considered.

Proposals may be modified or withdrawn by written notice received by the Procurement Officer before the time and date set forth in the RFP Key Information Summary Sheet for receipt of Proposals.

**Proposals may not be submitted by e-mail or facsimile. Proposals will not be opened publicly.**

### **1.10 Duration of Proposal**

Proposals submitted in response to this RFP are irrevocable for 120 days following the closing date of proposals or of Best and Final Offers (BAFOs), if requested. This period may be extended at the Procurement Officer's request only with the Offeror's written agreement.

### **1.11 Revisions to the RFP**

If it becomes necessary to revise this RFP before the due date for Proposals, the Agency shall endeavor to provide addenda to all prospective Offerors that were sent this RFP or which are otherwise known by the Procurement Officer to have obtained this RFP. In addition, addenda to the RFP will be posted on the Agency's procurement web page and through eMMA. It remains the responsibility of all prospective Offerors to check all applicable websites for any addenda issued prior to the submission of Proposals. Addenda made after the due date for Proposals will be sent only to those Offerors that submitted a timely Proposal and that remain under award consideration as of the issuance date of the addenda.

Acknowledgment of the receipt of all addenda to this RFP issued before the proposal due date must accompany the Offeror's proposal in the Transmittal Letter accompanying the Technical Proposal submittal. Acknowledgement of the receipt of addenda to the RFP issued after the proposal due date shall be in the manner specified in the addendum notice. Failure to acknowledge receipt of an addendum does not relieve the Offeror from complying with the terms, additions, deletions, or corrections set forth in the addenda.

### **1.12 Cancellations; Discussions**

The Agency reserves the right to cancel this RFP, accept or reject any and all proposals, in whole or in part, received in response to this RFP, to waive or permit cure of minor irregularities, and to conduct discussions with all qualified or potentially qualified Offerors in any manner necessary to serve the best interests of the State. The Agency also reserves the right, in its sole discretion, to award a contract based upon the written proposals received without discussions or negotiations.

### **1.13 Oral Presentation**

Offerors may be required to make oral presentations to the Evaluation Committee (defined below). Significant representations made by an Offeror during the oral presentation must be reduced to writing. All written representations will become part of the Offeror's proposal and are binding if the Contract is awarded. The Procurement Officer will notify Offerors of the time and place of oral presentations, if any. Typically, oral presentations occur approximately four weeks after the proposal due date.

#### **1.14 Incurred Expenses**

The State will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal, in making an oral presentation, in providing a demonstration, or in performing any other activities related to submitting a proposal in response to this solicitation.

#### **1.15 Economy of Preparation**

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Offeror's proposal to meet the requirements of this RFP.

#### **1.16 Multiple or Alternative Proposals**

Neither multiple nor alternate proposals will be accepted.

#### **1.17 Public Information Act Notice**

An Offeror should give specific attention to the clear identification of those portions of its proposal that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Public Information Act, Md. Code Ann., General Provisions Article, Title 4. (Also, see RFP Section 4.4.2.2.) This confidential and/or proprietary information should be identified by page and section number and placed after the Title Page and before the Table of Contents in the Technical Proposal and if applicable, separately in the Financial Proposal.

Offerors are advised that, upon request for this information from a third party, the Procurement Officer is required to make an independent determination whether the information must be disclosed.

#### **1.18 Offeror Responsibilities**

The selected Offeror/Contractor shall be responsible for all products and services required by this RFP. Each Offeror shall identify all proposed subcontractors and include a complete description of their roles relative to the Proposal. The selected Offeror retains responsibility for all work performed by and every deliverable submitted by a subcontractor.

If an Offeror that seeks to perform or provide the services required by this RFP is the subsidiary of another entity, all information submitted by the Offeror including but not limited to references, financial reports, or experience and documentation (e.g. insurance policies, bonds, letters of credit) used to meet minimum qualifications, if any, shall pertain exclusively to the Offeror, unless the parent organization will guarantee the performance of the subsidiary. If applicable, the Offeror shall submit with its Proposal an explicit statement, signed by an authorized representative of the parent organization, stating that the parent organization will guarantee the performance of the subsidiary.

A parental guarantee of the performance of the Offeror under this RFP Section 1.18 will not automatically result in crediting the Offeror with the experience and/or qualifications of the parent under any evaluation criteria pertaining to the Offeror's experience and qualifications. Instead, the Offeror will be evaluated on the extent to which the Agency determines that the experience and qualification of the parent are transferred

to and shared with the Offeror, the parent is directly involved in the performance of the Contract, and the value of the parent's participation as determined by the Agency.

### **1.19 Mandatory Contractual Terms**

By submitting an offer in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms of this RFP and the Contract, attached herein as ATTACHMENT G of this RFP. Any exceptions to this RFP or the Contract shall be clearly identified in the Executive Summary of the Technical Proposal. A Proposal that takes exception to these terms may be deemed not reasonably susceptible of being selected for award.

### **1.20 Proposal Affidavit**

A proposal submitted by an Offeror must be accompanied by a completed Proposal Affidavit. A copy of this Affidavit is included as ATTACHMENT C of this RFP.

### **1.21 Contract Affidavit**

All Offerors are advised that if a contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included for informational purposes as ATTACHMENT D of this RFP. This Affidavit must be completed and submitted within five business days after notification of proposed contract award. For purposes of completing Section "B" of this Affidavit (Certification of Registration or Qualification with the State Department of Assessments and Taxation), note that a business entity that is organized outside of the State of Maryland is considered to be a "foreign" business.

### **1.22 Minority Business Enterprises**

**Minority Business Enterprises (MBEs) are encouraged to respond to this RFP. Offerors who consider themselves to be minority contractors are encouraged to obtain certification from the Maryland Department of Transportation. A minimum certified Minority Business Enterprise subcontract participation goal has not been established for this RFP, but certified MBE subcontract participation may be considered in evaluating proposals under certain circumstances. Offerors are encouraged to utilize MBEs for any subcontracting opportunities that may arise. The Agency also encourages Offerors to include socially and economically disadvantaged individuals on the team responding to this solicitation, if applicable.**

A current directory of certified MBEs is available through the Maryland State Department of Transportation (MDOT), Office of Minority Business Enterprise, 7201 Corporate Center Drive, Hanover, Maryland 21076. The phone numbers are (410) 865-1269, 1-800-544-6056, or TTY (410) 865-1342. The directory is also available on the MDOT website at <http://mbe.mdod.state.md.us/directory/>. The most current and up-to-date information on MBEs is available via this website.

### **1.23 Compliance with Law; Arrearages**

By submitting a Proposal in response to this RFP, the Offeror, if selected for award, agrees that it will comply with all federal, State, and local laws applicable to its activities and obligations under the Contract.

By submitting a response to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State, including the payment of taxes and employee benefits, and shall not become so in arrears during the term of the Contract if selected for Contract award.

#### **1.24 Verification of Registration and Tax Payment**

Before a business entity can do business in the State, it must be registered with the State Department of Assessments and Taxation (SDAT). SDAT is located at State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. For registration information, visit <https://www.egov.maryland.gov/businessexpress>.

It is strongly recommended that any potential Offeror complete registration prior to the due date for receipt of Proposals. An Offeror's failure to complete registration with SDAT may disqualify an otherwise successful Offeror from final consideration and recommendation for Contract award.

#### **1.25 False Statements**

Offerors are advised that §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland provides as follows:

1.25.1 In connection with a procurement contract a person may not willfully:

- (a) Falsify, conceal, or suppress a material fact by any scheme or device;
- (b) Make a false or fraudulent statement or representation of a material fact; or
- (c) Use a false writing or document that contains a false or fraudulent statement or entry of a material fact.

1.25.2 A person may not aid or conspire with another person to commit an act under subsection 1.25.1 of this RFP Section 1.25.

1.25.3 A person who violates any provision of this RFP Section 1.25 is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding 5 years or both.

#### **1.26 Conflict of Interest Affidavit and Disclosure**

Offerors shall complete and sign the Conflict of Interest Affidavit and Disclosure (ATTACHMENT F) and submit it with their proposals. All Offerors are advised that if a Contract is awarded as a result of this solicitation, the Contractor's personnel who perform or control work under this Contract and each of the participating subcontractor personnel who perform or control work under this Contract shall be required to complete agreements substantially similar to ATTACHMENT F, Conflict of Interest Affidavit and Disclosure. For policies and procedures applying specifically to Conflict of Interests, the Contract is governed by COMAR 21.05.08.08.

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## **SECTION 2 OFFEROR MINIMUM QUALIFICATIONS**

### **2.1 Demonstrating Minimum Qualifications**

An Offeror must demonstrate in its Technical Proposal that they satisfy each of the minimum qualifications set forth in RFP Section 2.3.

### **2.2 Failure to Satisfy Minimum Qualifications**

Failure to satisfy the minimum qualifications stated in this RFP will result in an Offeror being classified as not reasonably susceptible of selection for award, and failure to maintain compliance with any of these qualifications during the term of the Contract may be considered an event of default.

### **2.3 Minimum Qualifications**

An Offeror must demonstrate in its Technical Proposal that the following minimum qualifications have been met:

- 2.3.1 The Offeror has provided non-discretionary private market investment consulting services similar to those described in Section 3, Scope of Services, during the last five (5) years to at least five (5) public pension funds or endowments whose assets under advisement aggregate to at least one billion dollars.
- 2.3.2 The Offeror is not in bankruptcy, conservatorship, receivership, or in the possession of a regulatory agency.

Failure to maintain compliance with any of these qualifications during the term of the Contract may be considered an event of default; the Contractor must notify the Agency of the Contractor's non-compliance within ten (10) calendar days of the precipitating event.

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## SECTION 3 REQUIREMENTS; SCOPE OF SERVICES

### 3.1 Background

The Maryland State Retirement Agency is the administrator of the Maryland State Retirement and Pension System. The System was established by the State Personnel and Pensions Article of the Annotated Code of Maryland (SPP) to provide retirement allowances and other benefits to State employees, teachers, and other State and local employees. Responsibility for the System's administration and operations is vested in a 15-member Board of Trustees (Board).

More information about the System can be found in its Comprehensive Annual Financial Report. This RFP, as well as the Comprehensive Annual Financial Report, can be found on the System's website (<http://www.sra.state.md.us>).

### 3.2 Purpose/Objectives

Whether the Agency contracts with a single Contractor or several Contractors will depend upon the cost of such services in relation to the level and quality of service anticipated by the Agency as determined in its sole judgment. An Offeror may propose to subcontract or otherwise offer the required services in partnership with another firm, but delivery of the services must be transparent to the Agency. It is possible that none of the submitted Proposals will be satisfactory to the Agency, in which case no selection will be made.

### 3.3 Scope of Services – Requirements

The Agency is seeking a comprehensive, high quality, cost-effective solution for non-discretionary private market investment consulting services. The Contractor must provide the following services ("Required Services"):

1. Strategic Private Market Consulting: The Contractor shall:
  - a. Assist the CIO and Investment Division Staff in the development of goals, strategy, and objectives for the various Private Market Programs.
  - b. Provide regular reporting and analyses and/or research as required by the Investment Division Staff to better define goals and objectives, monitor portfolio risk, model program cash flows/commitment pacing, or for other purposes relating to the Private Market Programs.
  - c. Appear as requested at Investment Committee and/ or Board of Trustees meetings or other meetings to (i) present research, analyses, written reports, and recommendations or (ii) respond to questions relating to the Private Market Programs or industry.
  - d. Provide other consulting services consistent with or required in connection with the Private Market Programs and its goals, strategy and objectives.

- e. Conduct and prepare comprehensive written research, analysis and advice on specific investment issues, or conduct special projects or other activities, as requested.
- f. Attend meetings with Investment Division Staff in order to provide investment advice on matters relating to the Private Market Programs as requested.
- g. Coordinate and communicate with the System, other System investment consultants and the managers of the funds and partnerships in the Program on an ongoing basis as required to ensure the effective and successful administration of the Private Market Programs.

## 2. Deal Sourcing and Due Diligence

The Contractor shall conduct deal sourcing and due diligence concurrently with Investment Division Staff. The Contractor and Investment Division Staff shall work closely to coordinate this activity. As part of the regular investment process, the Contractor and Investment Division Staff will endeavor to identify and evaluate “Emerging Managers”, defined generally as U.S. based managers with less than \$2B in assets under management.

- a. Investment Screening: The Contractor shall develop a structured process that will analyze the full universe of available investments, including emerging managers, and efficiently identify those most appropriate for investment. This should be a coordinated process including a detailed analysis of prospective investments identified by both the Contractor and Investment Division Staff.
  - b. Co-investment strategies: The Contractor shall develop a process to assist Investment Division Staff with evaluating and monitoring co-investments with a focus on improving portfolio gross performance and reducing the fee drag on the net performance.
  - c. Manage Investment Pipeline: The Contractor shall develop a proactive program to coordinate with Investment Division Staff in the creation of an investment pipeline for a rolling three-year period. The pipeline shall include expected investments with existing managers as well as identify new investment opportunities for the System.
  - d. Due Diligence: The Contractor shall coordinate with Investment Division Staff on the due diligence process for prospective investments that have been selected for investment consideration.
  - e. Recommendations: The Contractor shall present written recommendations to the Investment Division Staff. The recommendations must include the full results of the due diligence, strategic considerations, comparison to potential alternative investments and a detailed analysis of the benefit expected in adding the investment to the System’s portfolio. The recommendations must include full operational due diligence on the manager. The recommendations must include an ESG evaluation of the proposed investment.
- Legal Negotiation: The Contractor shall (i) identify key business issues to address in the legal negotiation process, (ii) provide advice on market terms for the recall of distributions to the investment vehicle for the purpose of fulfilling any indirect indemnification obligation of the System in connection with the vehicle, and (iii) work with Investment Division Staff and legal counsel in the negotiation of contract terms and conditions.

3. Monitoring of the Private Markets Portfolio

As of March 31, 2019, the System has roughly \$13.0 billion in private equity commitments to 165 partnerships (across 64 managers), of which approximately \$8.4 billion has been invested. The annual commitment pace is expected to be between \$1.5 billion and \$2.0 billion for the duration of the proposed contract. The System also has \$3.9 billion of commitments to 52 private credit, infrastructure and real asset commitments of which \$3.3 billion has been invested. Please see Exhibit A for a list of the System's investments through its Private Market Programs.

- a. General Portfolio Monitoring: The Contractor shall take responsibility for the timely reporting of key events that may affect the portfolio, including key personnel changes at the GP, requested changes in partnership documents or terms, material issues with portfolio companies, or industry related issues which may impact the portfolio. The Contractor shall make recommendations on any issues related to the portfolio that would require action by the Agency.
- b. Involvement with Managers: The Contractor shall assist, where necessary, in actions to protect the interests of the System as an investor, and to ensure compliance by managers with the terms of their contracts.
- c. Partnership Monitoring: The Contractor shall assist Investment Division Staff in attending partnership annual meetings, and, where appropriate, serving on partnership advisory boards.
- d. The Contractor shall review and make recommendations on any issues related to the portfolio that would require action by the Agency.

4. Database Management

The Contractor shall develop and maintain a database that will, at a minimum, include the following information:

- a. Historical Data: All historical information on all cash flows, net asset values, unfunded commitments by fund, fee payments, cost basis, and return on each investment.
- b. Performance Data: Performance data, including IRR and multiple calculations and measured against private market performance benchmarks and a public market equivalent basis.
- c. Classification Capabilities: An ability to review cash flows and performance data by individual investment, asset class and the total portfolio over quarterly periods.

Fees and Carried Interest – An ability to maintain a detailed accounting of fees and carried interest for each investment.

5. Reporting: The Contractor shall provide the following reports:

- a. Quarterly Performance Report: to include, at a minimum:
  - i. Allocation breakdown by geography, sector and industry
  - ii. Updates on each fund



- iii. Listing of each fund by sector
- iv. Date of commitment to each fund
- v. Commitment amount to each fund
- vi. Drawdown amounts by fund
- vii. Outstanding commitment by fund
- viii. Distribution amounts by fund
- ix. Fund NAVs
- x. Multiples by fund
- xi. IRR of each fund
- xii. Items v – xi aggregated for the total program

b. Monthly Report: to include:

- i. Listing of each fund by sector
- ii. Date of commitment to each fund
- iii. Commitment amount to each fund
- iv. Drawdown amounts by fund
- v. Outstanding commitment by fund
- vi. Items iii – v aggregated for the total program

c. Reconciliation with Custodian Bank: A reconciliation of the Contractor's quarterly and monthly reports with the reports/records of the Agency's custodian bank for accuracy.

6. Ongoing Board of Trustees Education

Upon request, the Contractor shall conduct trustee education workshops on specific issues designated by the System and/or recommended by the Contractor.

7. External Relations

Upon request, the Contractor shall support the Chief Investment Officer, the Investment Committee and/or the Board of Trustees through written and/or oral presentations at their meetings with legislative and executive branch staff and other parties as necessary.

8. Agency Meetings

- a. The Contractor shall meet with the Investment Division Staff at least quarterly to review contract issues, to inform the Agency of new services/technologies, and to plan improvements in services.

### **3.4 Insurance Requirements**

- 3.4.1 The Contractor shall maintain directors and officers liability insurance coverage of at least five million dollars (\$5,000,000).
- 3.4.2 The Contractor shall maintain errors and omissions/professional liability (including cyber liability) insurance with a minimum limit of three million (\$3,000,000) per claim and annual aggregate.
- 3.4.3 Within five (5) Business Days of recommendation for Contract award, and before any work begins, the Contractor shall provide the Procurement Officer with current certificates of insurance, and shall update such certificates periodically, but no less than annually in multi-year contracts, as directed by the Contract Manager.
- 3.4.4 Workers' compensation and other insurance as required by State of Maryland and federal law, and shall maintain such insurance at levels acceptable to the System in full force and effect during the term of this Contract. The Contractor agrees to furnish satisfactory evidence of this insurance coverage to the System upon request.
- 3.4.5 The Contractor shall require that any subcontractors providing primary services (as opposed to non-critical, ancillary services) under this Contract obtain and maintain the same levels of insurance and shall provide the Contract Manager with the same documentation as is required of the Contractor.

### **3.5 Conflicts of Interest**

- 3.5.1 The State Ethics Law, State Government Article, §15-508, might limit the selected Contractor's ability to participate in future related procurements or to provide advice or consultation services to organizations or companies that do business with or plan to do business with the State, depending upon specific circumstances.
- 3.5.2 The Contractor shall perform the duties required by this RFP impartially and without any conflict of interest. The Contractor's first priority in performing the duties of the Contract shall be the protection of the State's interests.
- 3.5.3 The Contractor shall provide periodic updates to the Agency and the Contract Manager, providing information such as that required by the Conflict of Interest affidavit attached as ATTACHMENT F, certifying whether a conflict of interest or potential conflict of interest exists. The Contractor shall notify the Agency and Contract Manager whenever the Contractor provides services to,

contracts with, or receives any compensation or remuneration from an organization or company that is involved in a matter related to this RFP.

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## SECTION 4 PROPOSAL SUBMISSION FORMAT

### 4.1 Two Part Submission

Offerors must submit separate proposals in two separate volumes:

- Volume I – (TECHNICAL PROPOSAL)
- Volume II – (FINANCIAL PROPOSAL)

### 4.2 Proposals

Volume I - Technical Proposal, and Volume II - Financial Proposal shall be delivered separately from one another. Volume I – Technical Proposal must be submitted in electronic versions only (see below for formatting preferences). Volume II – Financial Proposal must be submitted in a physical (i.e., paper) version and an electronic version separate from Volume I. Both volumes must be received by the Procurement Officer prior to the Closing Date and Time (see RFP Key Information Summary Sheet).

It is preferred, but not required, that the name, email address, and telephone number of a contact person for the Offeror be included on the outside of the packaging for Volume II.

An electronic version (E-Mail/CD/DVD/ or USB Flash Drive) of Volume 1 - Technical Proposal must be provided in searchable Adobe .pdf or Microsoft Word format. An electronic version (E-Mail/CD/ DVD/ or USB Flash Drive) of Volume II - Financial Proposal must be provided . Each E-Mail/CD/DVD/or USB Flash Drive must be labeled with the name of the Offeror, and volume number.

A second electronic version of Volume I and Volume II in searchable Adobe .pdf format shall be submitted via E-mail, CD, DVD, or USB Flash Drive for Public Information Act (PIA) requests. This copy shall be redacted so that information that the offeror views as confidential and/or proprietary information has been removed (see RFP Section 1.17).

Note: if electronic files are of a size that they can be e-mailed, they may be sent via e-mail to [peconsultant@sra.state.md.us](mailto:peconsultant@sra.state.md.us) in lieu of other delivery means (CD/DVD/USB Flash Drive). Except as required by the PIA or other law, proposals and any modifications to Proposals will be shown only to State employees, members of the Evaluation Committee (defined below), and other persons deemed by the Agency to have a legitimate interest in them.

### 4.3 Delivery

Offerors may either mail or hand-deliver proposals.

For U.S. Postal Service deliveries, any Proposal that has been received at the appropriate mailroom, or typical place of mail receipt, for the respective procuring unit by the time and date listed in the RFP will be deemed to be timely. If an Offeror chooses to use the U.S. Postal Service for delivery, the Agency recommends that it use Express Mail, Priority Mail, or Certified Mail only as these are the only forms for which both the date and time of receipt can be verified by the Agency. It could take several days for an item

sent by first class mail to make its way by normal internal mail to the procuring unit and an Offeror using first class mail will not be able to prove a timely delivery at the mailroom.

Hand-delivery includes delivery by commercial carrier acting as agent for the Offeror. For any type of direct (non-mail) delivery, an Offeror is advised to secure a dated, signed, and time-stamped (or otherwise indicated) receipt of delivery.

## **4.4 Volume I – Technical Proposal**

### 4.4.1 Format of Technical Proposal; Required Submissions

Inside a sealed package described in RFP Section 4.2, above, an electronic version of the Technical Proposal shall be provided. In addition to the instructions below, the Offeror's Technical Proposal should be organized and numbered in the same order as this RFP. This proposal organization will allow the Evaluation Committee (defined below) to "map" Offeror responses directly to RFP requirements by paragraph number.

The Offeror should use the sub-headings provided by this RFP to organize the response (i.e., to describe in detail how Offeror meets the minimum qualifications as a response to RFP Section 2.3 and proposes to provide the services enumerated in RFP Section 3.3).

### 4.4.2 The Technical Proposal

The Technical Proposal shall include the following sections in this order:

#### 4.4.2.1 Title Page

The Technical Proposal should begin with a title page bearing the name and address of the Offeror and the name and number of this RFP.

#### 4.4.2.2 Confidential, Proprietary Commercial Information or Trade Secrets

Any information which is claimed to be confidential is to be noted by reference and included after the Title Page and before the Table of Contents, and if applicable, also in the Offeror's Financial Proposal. An explanation for each claim of confidentiality shall be included (see RFP Section 1.17 "Public Information Act Notice"). The entire Proposal should not be given a blanket confidentiality designation. Any confidentiality designation must apply to specific sections, pages, or portions of pages of the Proposal.

#### 4.4.2.3 Table of Contents

A table of contents for the Technical Proposal should follow the title page or the Offeror's confidential, proprietary information or trade secrets claims.

#### 4.4.2.4 Transmittal Letter

A transmittal letter must accompany the Technical Proposal. The purpose of this letter is to transmit the proposal and acknowledge the receipt of any addenda/amendments. The transmittal letter should be brief and signed by an individual who is authorized to commit the Offeror to the services and requirements as stated in this RFP.

#### 4.4.2.5. Executive Summary

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled “Executive Summary”. The Executive Summary shall reflect the RFP subject, name of the firm, address, telephone number, contact person, date of preparation, and names of persons who are authorized to make representations on behalf of the Offeror (include their titles, addresses, telephone numbers and other contact information). This section shall include a summary description of the firm’s background and history in providing the services requested by the RFP. Any marketing materials included in the Offeror’s proposal to more fully describe the Offeror’s services should be clearly referenced in the proposal.

The Executive Summary must include a statement that the Offeror, if chosen for award, shall comply with all terms and conditions stated in this RFP, including without limitation, the terms of the form of Contract set forth in ATTACHMENT G to this RFP. Exceptions to the RFP or attachments may result in rejection of the proposal.

#### 4.4.2.6 Minimum Qualifications Demonstration and Documentation

The Offeror shall address each minimum qualification specified in RFP Section 2.3 and shall demonstrate how the Offeror meets each of these minimum qualifications. The Offeror must also complete the Statement of Minimum Offeror Qualifications included as ATTACHMENT A to this RFP. The response must contain sufficient information to assure the Agency of its accuracy. If the Offeror provides any publications, pamphlets or other written materials to further demonstrate its capacity to meet the minimum qualifications, such materials must be clearly referenced in each response to the minimum qualifications.

#### 4.4.2.7 Offeror’s Technical Response to RFP Scope of Services Requirements

In a concise manner, the Offeror shall address each requirement in RFP Section 3.3 of this RFP and shall describe how the Offeror’s proposed services, including the services of any proposed subcontractor(s), will meet or exceed the requirement(s), will meet these requirements. The Offeror should use the sub-headings provided by this RFP to organize the response. If the State is seeking Offeror agreement to any requirement(s), the Offeror shall state its agreement or disagreement. Any paragraph in the Technical Proposal that responds to a requirement in RFP Section 3.3 shall include an explanation of how the services will be provided. Any exception to a requirement, term, or condition may result in having the Proposal classified as not reasonably susceptible of being selected for award or the Offeror deemed not responsible.

#### 4.4.2.8 Offeror’s Responses to Proposal Questionnaire

Each Offeror must complete the Proposal Questionnaire (ATTACHMENT B). The information requested must be provided in the prescribed format. Responses that in the opinion of the Evaluation Committee (defined below) materially deviate from the prescribed format may be rejected. All responses to the questionnaire will be subject to verification for accuracy. Proposals containing false or misleading information may be rejected at the discretion of the Evaluation Committee (defined below).

#### 4.4.2.9 Offeror’s Experience and References

The Offeror shall include information on past experience with similar projects and/or services, including the following information:

- A description of any services required by this RFP performed by the Offeror during the most recent five (5) year period;
- A minimum of five (5) references, using the “Form for References” provided in the Proposal Questionnaire, from pension funds or endowments, for which the Offeror has provided the services required by this RFP. Include complete addresses and telephone numbers for each reference, as well as the name, title and the telephone number of a contact individual; and
- Any additional services or alternative approaches that the Offeror believes are in the Agency’s best interest.

#### 4.4.2.10 Subcontractors

The Offeror shall provide a complete list of all subcontractors that will work on the Contract if the Offeror receives an award. This list shall include a full description of the duties each subcontractor will perform and why/how each subcontractor was deemed the most qualified for this project.

#### 4.4.2.11 Economic Benefit Factors

The Offeror shall submit with its Proposal a narrative describing benefits that will accrue to the Maryland economy as a direct or indirect result of its performance of this contract. Proposals will be evaluated to assess the benefit to Maryland’s economy specifically offered. The economic benefit offered should be consistent with the Offeror’s Financial Proposal Form.

Proposals that identify specific benefits as being contractually enforceable commitments will be rated more favorably than Proposals that do not identify specific benefits as contractual commitments, all other factors being equal.

Offerors shall identify any performance guarantees that will be enforceable by the State if the full level of promised benefit is not achieved during the Contract term.

As applicable, for the full duration of the Contract, including any renewal period, or until the commitment is satisfied, the Contractor shall provide to the Contract Manager or other designated agency personnel reports of the actual attainment of each benefit listed in response to this RFP Section 4.4.2.11. These benefit attainment reports shall be provided quarterly, unless elsewhere in these specifications a different reporting frequency is stated.

In responding to this RFP Section 4.4.2.11, the following do not generally constitute economic benefits to be derived from this Contract:

- (1) Generic statements that the State will benefit from the Offeror’s superior performance under the Contract;

- (2) Descriptions of the number of Offeror employees located in Maryland other than those that will be performing work under this Contract; and
- (3) Tax revenues from Maryland-based employees or locations, other than those that will be performing, or used to perform, work under this Contract.

Discussion of Maryland-based employees or locations may be appropriate if the Offeror makes some projection or guarantee of increased or retained presence based upon being awarded this Contract.

Examples of economic benefits to be derived from a contract may include any of the following. For each factor identified below, identify the specific benefit and contractual commitments and provide a breakdown of expenditures in that category:

- (1) The Contract dollars to be recycled into Maryland’s economy in support of the Contract, through the use of Maryland subcontractors, suppliers and joint venture partners. Do not include actual fees or rates paid to subcontractors or information from your Financial Proposal;
- (2) The number and types of jobs for Maryland residents resulting from the Contract. Indicate job classifications, number of employees in each classification and aggregate payroll to which the Offeror has committed, including contractual commitments at both prime and, if applicable, subcontract levels. If no new positions or subcontracts are anticipated as a result of this Contract, so state explicitly;
- (3) Tax revenues to be generated for Maryland and its political subdivisions as a result of the Contract. Indicate tax category (sales taxes, payroll taxes, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the Contract;
- (4) Subcontract dollars committed to Maryland small businesses and MBEs; and
- (5) Other benefits to the Maryland economy which the Offeror promises will result from awarding the Contract to the Offeror, including contractual commitments. Describe the benefit, its value to the Maryland economy, and how it will result from, or because of the Contract award. Offerors may commit to benefits that are not directly attributable to the Contract, but for which the Contract award may serve as a catalyst or impetus.

4.4.2.12 Form ADV

4.4.2.12.1 The Offeror must provide a copy of its most recent ADV report if applicable.

4.4.2.13 Additional Required Technical Submissions

The following documents shall also be completed, signed, and included in the Technical Proposal:

Completed Proposal Affidavit (Attachment C).



**4.5 Volume II - Financial Proposal**

4.5.1 Financial Proposal Requirements

The Financial Proposal shall identify the total price for providing the applicable services described in this RFP for the term of the Contract. The price for providing the services described in this RFP shall include all travel and administrative costs.

4.5.2 Financial Proposal Format

Under separate sealed cover from the Technical Proposal and clearly marked in the format identified in RFP Section 4.2, "Proposals," the Offeror shall submit an original unbound copy of the Financial Proposal. The Financial Proposal must contain all price information in the format specified in ATTACHMENT E.

The Offeror shall complete the Financial Proposal Form only as provided in the Financial Proposal Instructions and the Financial Proposal Form itself.

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

### **5.1 Evaluation Committee**

Evaluation of the proposals will be performed by a committee organized for that purpose (Evaluation Committee). Evaluations will be based on the criteria set forth below.

### **5.2 Technical Criteria**

The criteria to be used to evaluate each Technical Proposal are listed below in descending order of importance. Each Evaluation Committee member will rank the proposals according to these major criteria. The ranking will be on a basis of Good, Better or Best.

1. Offeror's Technical Response to RFP Scope of Services Requirements (See RFP Section 4.4.2.7).
2. Offeror's Responses to Proposal Questionnaire (See RFP Section 4.4.2.8).
3. Offeror's Experience and References, including and proposed subcontractor(s) (See RFP Sections 4.4.2.9-4.4.2.10).
4. Economic Benefit to State of Maryland (See RFP Section 4.4.2.11).

### **5.3 Financial Criteria**

Once all technical evaluations have been completed, the Evaluation Committee, with the concurrence of the Procurement Officer, will determine which Offerors are reasonably susceptible of being selected for award. The separate Financial Proposal submitted by each responsive and responsible Offeror will be distributed to the Evaluation Committee for review following the completion of the technical evaluations. The financial evaluation will consist of an analysis of the price for the scope of services. Based on this evaluation, the Financial Proposals will be ranked on a basis of Good, Better or Best. To be considered for contract award, an Offeror must comply with the instructions provided in ATTACHMENT E.

### **5.4 Selection Procedures**

#### 5.4.1 General Selection Process

The Agency and/or the Evaluation Committee may hold discussions with all Offerors judged reasonably susceptible of being selected for award, or potentially so. However, the Agency also reserves the right to make an award without holding discussions. In either case of holding discussions or not doing so, the Agency may determine an Offeror's proposal to be not reasonably susceptible of being selected for award, at any time after the initial closing date for receipt of proposals and during the review of those proposals.

#### 5.4.2 Selection Process Sequence

- 5.4.2.1      The first level of review will be an evaluation for technical merit and ranked as described above. During this review, oral presentations and discussions

may be held. The purpose of such discussions will be to assure a full understanding of the State's requirements and the Offeror's ability to perform, and to facilitate arrival at a contract that will be most advantageous to the State. For scheduling purposes, Offerors should be prepared to make an oral presentation and/or participate in discussions within four weeks of the closing date for receipt of proposals as stated in this RFP. The Procurement Officer will contact Offerors when the schedule is set by the Evaluation Committee.

- 5.4.2.2 Offerors must confirm in writing any substantive oral clarification of, or change in, their proposals made in the course of discussions. Any such written clarification or change then becomes part of the Offeror's proposal. Technical proposals are given a final review and ranked as described above.
- 5.4.2.3 The Financial Proposal of each qualified Offeror will be distributed to the Evaluation Committee for analysis following the completion of the technical evaluation. After a review of the Financial Proposals of Offerors, the Procurement Officer may again conduct discussions to further evaluate the Offeror's entire Proposal.
- 5.4.2.4 When in the best interest of the State, the Procurement Officer may permit Offerors who have submitted acceptable proposals to revise their initial proposals and submit, in writing, best and final offers (BAFOs). The Procurement Officer may make and award without issuing a BAFO.

## **5.5 Award Determination**

Upon completion of the Technical and Financial Proposal evaluation, the Contract will be awarded to the Offeror whose Proposal is determined to be the most advantageous to the State and/or the Agency based on the results of the final technical and financial evaluations.

After the System has awarded one or more contracts, the selected Offeror(s) shall submit to the Agency a fully executed Contract Affidavit. The Agency and the selected Offeror will proceed to negotiate and execute the Contract and any other required documentation.

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**MARYLAND STATE RETIREMENT AGENCY  
REQUEST FOR PROPOSALS  
NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

**LISTING OF ATTACHMENTS**

**ATTACHMENT A – STATEMENT OF MINIMUM OFFEROR QUALIFICATIONS**

**ATTACHMENT B – PROPOSAL QUESTIONNAIRE**

**ATTACHMENT C – PROPOSAL AFFIDAVIT**

**ATTACHMENT D – CONTRACT AFFIDAVIT**

**ATTACHMENT E – FINANCIAL PROPOSAL INSTRUCTIONS AND FORM**

**ATTACHMENT F – CONFLICT OF INTEREST AFFIDAVIT/DISCLOSURE**

**ATTACHMENT G – FORM OF CONTRACT**

**ATTACHMENT A – STATEMENT OF MINIMUM OFFEROR QUALIFICATIONS**

**MARYLAND STATE RETIREMENT AGENCY  
REQUEST FOR PROPOSALS  
NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

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Name of Offeror (Firm)

All Offerors are required to submit an executed copy of this statement as an attachment to the transmittal letter to be given further consideration for a contract award. These qualifications must be established by the Offeror within the response to this RFP. Failure to satisfy all of the minimum qualifications, based on the Agency’s sole judgment, will result in the immediate rejection of the proposal.

1. The Offeror has provided consulting services similar to those described in Section 3, Scope of Services, during the last five (5) years to at least five (5) public pension funds or endowments whose assets under advisement in private markets aggregate to at least one billion dollars.
2. The Offeror is not in bankruptcy, conservatorship, receivership, or in the possession of a regulatory agency.

I hereby certify that the Offeror meets the above listed Minimum Offeror Qualifications.

\_\_\_\_\_  
Offeror’s Authorized Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name of Offeror

\_\_\_\_\_  
Date

**ATTACHMENT B – PROPOSAL QUESTIONNAIRE**

**MARYLAND STATE RETIREMENT AGENCY  
REQUEST FOR PROPOSALS  
NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

- I. INSTRUCTIONS & COVER PAGE**
- II. QUESTIONNAIRE**
- III. ADDITIONAL INFORMATION/ COMPANY LITERATURE**
- IV. FORM FOR REFERENCES**

**MARYLAND STATE RETIREMENT AGENCY  
REQUEST FOR PROPOSALS**

**NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

**I. PROPOSAL QUESTIONNAIRE INSTRUCTIONS & COVER PAGE**

Offerors must complete and return the Proposal Questionnaire .

Responses to this Questionnaire must provide information related to the consulting services as described in RFP Section 3.3.

**COVER PAGE**

Offeror Name: \_\_\_\_\_

Principal Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Contact Name: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

\_\_\_\_\_  
Offeror's Authorized Signature

\_\_\_\_\_  
Date



**MARYLAND STATE RETIREMENT AGENCY**  
**REQUEST FOR PROPOSALS**  
**PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

**II. PROPOSAL QUESTIONNAIRE**

**QUESTIONNAIRE FOR NON-DISCRETIONARY PRIVATE MARKET INVESTMENT  
CONSULTING SERVICES**

**A. Organizational Background**

1. Provide the following information with respect to the firm:
  - a. A brief history of the firm, including its year of organization, the ownership structure of the firm, including any parent, affiliated companies or joint venture, the percentage owned by current employees; and a list of all owners of at least 5% of the firm including individuals and other entities.
  - b. The location of the firm's headquarters and any branch offices. What is the number of staff in each office? What is the primary function in each office? Describe any significant developments in the firm that have occurred since January 1, 2014 (changes in ownership, personnel reorganization, etc.).
2. How is the firm expected to grow over the next five years?
3. Describe any anticipated changes in the firm's basic ownership structure or any other significant changes in the organization.
4. How many years has the firm been providing private market consulting services?
5. Does the firm provide other services? Please list each type of service, its inception date, and a brief description of the service.
6. Provide a breakdown of the firm's revenues by source of business activity.
7. Is the firm, its parent or an affiliate a registered investment advisor with the SEC under the Investment Advisers Act of 1940? If not, please explain the basis for non-registration?
8. Since January 1, 2014, has the firm, or any officer or principal been involved in any business litigation, regulatory or other legal proceedings or government investigation involving allegations of fraud, negligence, criminal activity or breach of fiduciary duty? If so, provide a description, explanation, and indicate the current status.
9. How are conflicts of interest managed, disclosed or prevented if the firm or its affiliates provides investment management services or brokerage to investment managers. Please attach a copy of the firm's Conflicts of Interest Policy.
10. Does the firm or any affiliate serve as a discretionary investment manager for clients? This includes fund of funds and discretionary accounts. If yes, how does the firm manage potential conflicts of interest? What portion of the firm's revenue is tied to these businesses? How do these businesses fit into the firm's growth plans going forward?

11. Is the firm or any of its owners, principals or affiliates affiliated with any placement agents?
12. Does the firm or members of the firm invest their money in the investments recommended to clients? Please provide a copy of the firm's Personal Trading Policy.
13. List all investment management firms from which the firm or any affiliate has received any compensation during the last five years.
14. Describe the levels of coverage for errors and omissions insurance and any other fiduciary or professional liability insurance the firm carries. List the insurance carriers supplying the coverage, and supply certificates evidencing the coverage.
15. How does the firm evaluate the quality of its consulting services? Describe any benchmarks the firm has developed to evaluate its performance.
16. What is the firm's competitive advantage in providing consulting services to the System?

**B. Depth and Experience of Personnel**

1. Provide an organization chart showing titles, functions, years of industry experience, years with the firm, and location of all personnel in the firm providing private market consulting services.
2. Identify the principals of the firm and designate which individuals, including research and systems support personnel, will be committed to the System's account. Include the length of experience in private market consulting services, the highest educational degree each has attained, and professional certifications. In an appendix, provide a brief biography of all the individuals listed. Where are these people located? Please discuss their workload with this account and their other responsibilities. How much of their time will be dedicated to this account versus their other responsibilities? Please include a list of articles published by such individuals related to private market investing. Selected articles may be included in the appendix.
3. What qualifications and experience does the firm look for when hiring staff? Please provide information for junior and senior staff members.
4. Explain how the team dedicated to the System account would function, including Primary Consultant(s), back up, quality control, research, and support services.
5. What are the procedures for addressing the System's issues when the Primary Consultant(s) or other assigned personnel are traveling or unavailable?
6. Describe the firm's back-up procedures in the event the key personnel assigned to the System should leave the firm. If applicable, give an example of a situation where this procedure has been utilized.
7. What is the turnover of professional staff (senior management and consulting personnel) over the past five years as follows:

Person	Position	Date Left	Reason for leaving	Replaced By

8. What additions have been made to the team over the past five years? Why were these hires made?
9. Describe the firm's compensation arrangements for senior management and the Primary Consultant, including any incentive and other bonuses and how and for what they are awarded.
10. Does staff participate in equity ownership? If ownership is not available, is there a specific arrangement for sharing in the profits earned by the enterprise? What specific incentives are employed to ensure key professionals do not leave the firm?

**C. Client Coverage and References**

1. What is the composition of the firm's client base? If the firm's investor client base is heavily weighted toward any particular type of investor, please provide an explanation. For your firm's private market consulting group, please provide the following information:

For the following:	Number of Discretionary Accounts	Number of Non-Discretionary Accounts	Number of Accounts/Relationships	Amount for Discretionary Accounts	Amount for Non-Discretionary Accounts	Total Assets
2015						
2016						
2017						
2018						
Current						

For the following:	Corporate		Public Plans		Taft-Hartley Assets		Endowments & Foundations	
	Number of Accounts	Amount in Accounts	Number of Accounts	Amount in Accounts	Number of Accounts	Amount in Accounts	Number of Accounts	Amount in Accounts
2015								
2016								
2017								
2018								
Current								

2. Provide a current list of the five (5) largest clients for which you provide private market consulting services including name, contact, telephone number, asset values, number of years the client has retained your firm, and the product(s) or service(s) the client uses. In addition, include all of this information for your five (5) largest public fund clients. The Agency may contact any of these clients as references.

3. Please provide a list of clients gained or lost during the past five (5) years including the client's name, date of hiring/termination, size of the fund and reason for hiring/termination.

Comment on the firm's stability in client base over the past five years. How have the number of clients and amount under management changed? Please provide this information for all of the firm's businesses, and also for private market consulting services. Please fill in the following chart. How does the firm expect consultant responsibilities to change in the future?

	12/31/2015	12/31/2016	12/31/2017	12/31/2018	Current
Assets under management (AUM)					
Number of Clients					
Number of Consultants					
AUM to Consultant ratio					
Client to Consultant ratio					

#### D. Investment Consulting Services

Provide a detailed description of the overall private market consulting services being offered. Please include:

1. Please provide your firm's view of the current private market market.
2. Discuss the steps the firm would take to analyze the System's current Private Market Programs.
3. Please describe how you would work with our plan to understand how private market assets should fit within the System's total plan assets. What types of investment mix would you recommend? What are your thoughts regarding the following:
  - i. Advisory board seats
  - ii. Size of commitments
  - iii. Types of investments
  - iv. Benchmarks
  - v. International investments
  - vi. Leverage
  - vii. Co-investments
  - viii. Debt vs. equity investments
  - ix. Secondaries
  - x. Fund of funds
  - xi. Tactical vs. strategic investing
  - xii. Fund investments
4. What types of private market consulting services (due diligence, monitoring, reporting, etc.) do you currently provide to similar plans?
5. Discuss the firm's experience and capability for providing advice on establishing private market investment policy and guidelines.
6. Describe the different methodologies, measures and sources of data for calculating, analyzing and evaluating clients' private market performance. What benchmarks and databases are available? Which do you prefer and why?

7. List the overall performance for all the firm's private market clients for three, five, seven and ten- year periods ending December 31, 2018. Include percentile charts of performance relative to the universe. It is not necessary to identify clients by name.
8. Does the firm have pension fund clients with international private market investments? Discuss the firm's overall experience and expertise in international private market.
9. Describe the firm's process for the evaluation and selection of private market investments for a client, addressing the following items:
  - i. Deal sourcing
  - ii. Due diligence:
    1. Please provide a thorough description of your due diligence process, addressing investment criteria, research sources, approval process and any other relevant steps in your process. Include a description of the process to conduct due diligence on the stage, industry and structure of the fund, investment success of the general partners and the quality of other investors. How do you verify the information that the manager gives you? How are multiple managers with similar investment strategies evaluated? Are potential managers shown in a tiered format to the client with an explanation of why certain managers ranked ahead of others? How are investments approved by the firm? Is there an investment committee? If yes, then please identify members of the investment committee. Provide their resumes in the appendix.
    2. In an appendix, provide a sample due diligence report and a sample recommendation of a recent investment. Include any relevant materials, checklists, questionnaires, etc. you use during the normal course of the process.
    3. Please discuss how you would conduct / handle due diligence for special requests by the System.
  - iii. How are different investment opportunities allocated among clients with similar strategies? Do certain clients receive priority treatment? Has the firm had problems with allocation issues in the past? Does the firm report to clients on investment allocation?
10. With regards to closing transactions, how involved is your firm? Will your firm be willing to participate in conference calls to discuss fund terms with legal counsel?
11. Please describe the firm's process and capabilities in negotiating investment terms. Describe examples where you have achieved better fees or changes to key terms for clients.
12. Does the firm maintain a database of private market managers? How many managers are contained in the database? Please categorize the managers and the advisers by stage of investment, industry, structure and any other specialty designation. How many meetings per year do you take with managers? What type of information is tracked? How often is the database updated?
13. Describe the firm's experience and capabilities in analyzing and monitoring small and emerging funds. Describe the firm's experience and capabilities in tracking and monitoring women and minority owned firms.

14. Please discuss the issue of access to private market funds. What is your record for placing client funds in top quartile funds? What help can you offer in gaining access to these funds?
15. Please provide a complete list of funds that your firm has recommended over the past 5 years. Please show returns and investment multiples since inception. Please show funds by geography and/or investment type.
16. In an appendix, please provide a sample of the firm's client reporting capabilities. Are the reports compiled internally or externally? How are returns calculated? Are returns calculated to satisfy AIMR guidelines? Please discuss any areas where you are looking to provide capabilities in the future and when they will be available.
17. What types of cash flow modeling and reporting capabilities does your firm have to project cash flows, distributions and commitment pacing? What assumptions go into these models? Please provide an example as an appendix.
18. What are the firm's thoughts on monitoring risk in private market investments? How are these risks monitored by the firm?
19. Please provide a list of all limited partner advisory committee (or similar) memberships that the firm holds for either itself or on the behalf of clients.
20. Does your firm encourage general partners to follow ILPA Principles and utilize ILPA standardized templates for capital calls, distributions, reporting and fee transparency.
21. In addition to private market consulting capabilities, please describe your firm's capabilities and experience with private credit, energy, timber and infrastructure funds.

## **E. Research Capabilities**

Provide a detailed description of research capabilities.

1. Outline the process for monitoring and reporting on market trends. Describe the capabilities for reporting and tracking international trends and influences.
2. Describe the internal structure and organization of the firm's research department. (If no separate department exists, describe how this function is structured).
3. What percent of the firm's revenues are annually reinvested in the firm's research function?
4. Describe the manner in which internal and external resources and sources of information are used in the research process.
5. What research and analytical resources (including databases) does the firm possess that the firm would be willing to provide to the System? Please attach one of the firm's sample research reports for each consulting service included in your proposal as an exhibit. Provide a listing of research published during 2018/ 2019, providing the title of research, date of issue, author and single line description of subject.
6. Describe the services the firm provides through the Internet. Please include a description of any reports of other information that would be available to the System on-line.



**MARYLAND STATE RETIREMENT AGENCY  
REQUEST FOR PROPOSALS  
NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

**IV. FORM FOR REFERENCES**

Please use a separate form for each reference. The Agency may contact any of the clients named as references.

Client Name & Address
Contact Name & Title
Contact Phone Number & E-mail Address
Contract Term (Start & End Dates as applicable)
Nature of Services Provided



**ATTACHMENT C – PROPOSAL AFFIDAVIT**

**NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

**A. AUTHORITY**

I hereby affirm that I, \_\_\_\_\_ (name of affiant) am the \_\_\_\_\_ (title) and duly authorized representative of \_\_\_\_\_ (name of business entity) and that I possess the legal authority to make this affidavit on behalf of the business for which I am acting.

**B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION**

The undersigned Offeror hereby certifies and agrees that the following information is correct: In preparing its Proposal on this project, the Offeror has considered all Proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in “discrimination” as defined in § 19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. “Discrimination” means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, sexual identity, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor’s, supplier’s, or commercial customer’s employees or owners. “Discrimination” also includes retaliating against any person or other entity for reporting any incident of “discrimination”. Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the Proposal submitted by the Offeror on this project, and terminate any contract awarded based on the Proposal. As part of its Proposal, the Offeror herewith submits a list of all instances within the past four (4) years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the Offeror discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Offeror agrees to comply in all respects with the State’s Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

**B-1. CERTIFICATION REGARDING MINORITY BUSINESS ENTERPRISES**

The undersigned Offeror hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, § 14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a Proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority Proposal;
- (2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the Proposal;
- (3) Fail to use the certified minority business enterprise in the performance of the contract; or
- (4) Pay the certified minority business enterprise solely for the use of its name in the Proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the Proposal submitted by the Offeror on this project, and terminate any contract awarded based on the Proposal.

**B-2. CERTIFICATION REGARDING VETERAN-OWNED SMALL BUSINESS ENTERPRISES**

The undersigned Offeror hereby certifies and agrees that it has fully complied with the State veteran-owned small business enterprise law, State Finance and Procurement Article, § 14-605, Annotated Code of Maryland, which provides that a person may not:

- (1) Knowingly and with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain public money, procurement contracts, or funds expended under a procurement contract to which the person is not entitled under this title;
- (2) Knowingly and with intent to defraud, fraudulently represent participation of a veteran-owned small business enterprise in order to obtain or retain a Proposal preference or a procurement contract;
- (3) Willfully and knowingly make or subscribe to any statement, declaration, or other document that is fraudulent or false as to any material matter, whether or not that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;
- (4) Willfully and knowingly aid, assist in, procure, counsel, or advise the preparation or presentation of a declaration, statement, or other document that is fraudulent or false as to any material matter, regardless of whether that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;
- (5) Willfully and knowingly fail to file any declaration or notice with the unit that is required by COMAR 21.11.13; or
- (6) Establish, knowingly aid in the establishment of, or exercise control over a business found to have violated a provision of § B-2(1)-(5) of this regulation.

**C. AFFIRMATION REGARDING BRIBERY CONVICTIONS**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, § 6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

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**D. AFFIRMATION REGARDING OTHER CONVICTIONS**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
  - (a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
  - (b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;
- (3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. § 1961 et seq., or the Mail Fraud Act, 18 U.S.C. § 1341 et seq., for acts in connection with the submission of Proposals for a public or private contract;
- (4) Been convicted of a violation of the State Minority Business Enterprise Law, § 14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (5) Been convicted of a violation of § 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;
- (7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of Proposals for a public or private contract;
- (8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract;
- (9) Been convicted of a violation of one or more of the following provisions of the Internal Revenue Code:
  - (a) §7201, Attempt to Evade or Defeat Tax;
  - (b) §7203, Willful Failure to File Return, Supply Information, or Pay Tax,
  - (c) §7205, Fraudulent Withholding Exemption Certificate or Failure to Supply Information,
  - (d) §7206, Fraud and False Statements, or
  - (e) §7207, Fraudulent Returns, Statements, or Other Documents;
- (10) Been convicted of a violation of 18 U.S.C. §286, Conspiracy to Defraud the Government with Respect to Claims, 18 U.S.C. §287, False, Fictitious, or Fraudulent Claims, or 18 U.S.C. §371, Conspiracy to Defraud the United States;
- (11) Been convicted of a violation of the Tax-General Article, Title 13, Subtitle 7 or Subtitle 10, Annotated Code of Maryland;
- (12) Been found to have willfully or knowingly violated State Prevailing Wage Laws as provided in the State Finance and Procurement Article, Title 17, Subtitle 2, Annotated Code of Maryland, if:
  - (a) A court:
    - (i) Made the finding; and

- (ii) Decision became final; or
- (b) The finding was:
  - (i) Made in a contested case under the Maryland Administrative Procedure Act; and
  - (ii) Not overturned on judicial review;

(13) Been found to have willfully or knowingly violated State Living Wage Laws as provided in the State Finance and Procurement Article, Title 18, Annotated Code of Maryland, if:

- (a) A court:
  - (i) Made the finding; and
  - (ii) Decision became final; or
- (b) The finding was:
  - (i) Made in a contested case under the Maryland Administrative Procedure Act; and
  - (ii) Not overturned on judicial review;

(14) Been found to have willfully or knowingly violated the Labor and Employment Article, Title 3, Subtitles 3, 4, or 5, or Title 5, Annotated Code of Maryland, if:

- (a) A court:
  - (i) Made the finding; and
  - (ii) Decision became final; or
- (b) The finding was:
  - (i) Made in a contested case under the Maryland Administrative Procedure Act; and
  - (ii) Not overturned on judicial review; or

(15) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§ B and C and subsections D(1)—(14) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

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**E. AFFIRMATION REGARDING DEBARMENT**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business’s contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person’s involvement in any activity that formed the grounds of the debarment or suspension).

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**F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES**

I FURTHER AFFIRM THAT:

(1) The business was not established and does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

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**G. SUBCONTRACT AFFIRMATION**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

**H. AFFIRMATION REGARDING COLLUSION**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

(1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying Proposal that is being submitted; or

(2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the Proposal price of the Offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying Proposal is submitted.

**I. CERTIFICATION OF TAX PAYMENT**

I FURTHER AFFIRM THAT:

Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, State Department of Assessments and Taxation, and Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

**J. CONTINGENT FEES**

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

**K. CERTIFICATION REGARDING INVESTMENTS IN IRAN**

(1) The undersigned certifies that, in accordance with State Finance and Procurement Article, §17-705, Annotated Code of Maryland:

(a) It is not identified on the list created by the Board of Public Works as a person engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland; and

(b) It is not engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland.

2. The undersigned is unable to make the above certification regarding its investment activities in Iran due to the following activities: \_\_\_\_\_

**L. CONFLICT MINERALS ORIGINATED IN THE DEMOCRATIC REPUBLIC OF CONGO (FOR SUPPLIES AND SERVICES CONTRACTS)**

I FURTHER AFFIRM THAT:

The business has complied with the provisions of State Finance and Procurement Article, §14-413, Annotated Code of Maryland governing proper disclosure of certain information regarding conflict minerals originating in the Democratic Republic of Congo or its neighboring countries as required by federal law.

**M. I FURTHER AFFIRM THAT:**

Any claims of environmental attributes made relating to a product or service included in the Proposal are consistent with the Federal Trade Commission’s Guides for the Use of Environmental Marketing Claims as provided in 16 C.F.R. §260, that apply to claims about the environmental attributes of a product, package, or service in connection with the marketing, offering for sale, or sale of such item or service.

**N. ACKNOWLEDGEMENT**

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this Proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_

By: \_\_\_\_\_ (print name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

**SUBMIT THIS AFFIDAVIT WITH PROPOSAL**

**ATTACHMENT D – CONTRACT AFFIDAVIT**

**NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

**A. AUTHORITY**

I hereby affirm that I, \_\_\_\_\_ (name of affiant) am the \_\_\_\_\_ (title) and duly authorized representative of \_\_\_\_\_ (name of business entity) and that I possess the legal authority to make this affidavit on behalf of the business for which I am acting.

**B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION**

I FURTHER AFFIRM THAT:

The business named above is a (check applicable box):

- (1) Corporation —  domestic or  foreign;
- (2) Limited Liability Company —  domestic or  foreign;
- (3) Partnership —  domestic or  foreign;
- (4) Statutory Trust —  domestic or  foreign;
- (5)  Sole Proprietorship.

and is registered or qualified as required under Maryland Law. I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

Name and Department ID  
Number: \_\_\_\_\_ Address: \_\_\_\_\_

and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:

Name and Department ID  
Number: \_\_\_\_\_ Address: \_\_\_\_\_

**C. FINANCIAL DISCLOSURE AFFIRMATION**

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.



#### D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

##### I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into a contract for a procurement with the State, a county, or a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on or before: (i) May 31, to cover the six (6) month period ending April 30; and (ii) November 30, to cover the six (6) month period ending October 31.

#### E. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

##### I CERTIFY THAT:

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its Proposal, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

- (i) The dangers of drug and alcohol abuse in the workplace;
- (ii) The business's policy of maintaining a drug and alcohol free workplace;
- (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
- (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), above;

(h) Notify its employees in the statement required by §E(2)(b), above, that as a condition of continued employment on the contract, the employee shall:

- (i) Abide by the terms of the statement; and
- (ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

- (i) Take appropriate personnel action against an employee, up to and including termination; or
- (ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), above.

(3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

- (a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

F. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

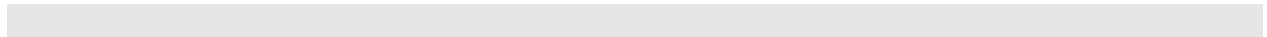
To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Proposal Affidavit dated \_\_\_\_\_, 201\_\_\_\_, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_

By: \_\_\_\_\_ (printed name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)



## ATTACHMENT E – FINANCIAL PROPOSAL INSTRUCTIONS AND FORM

### NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES

As noted in RFP Section 4.2, the Financial Proposal must be sealed and separated from the Technical Proposal. In completing the Financial Proposal, Offerors must consider the requirements described in RFP Section 3, Scope of Services.

Payment for the Consulting Services will be based on the prices submitted for:

- A fixed annual amount for all services described in RFP Section 3.3 for which the Offeror seeks to provide services in a Technical Proposal.

Additionally:

- Payment will be paid in U.S. dollars.
- The contract for these services will be for an initial five (5) year term beginning on or about March 1, 2020 and ending on February 28, 2025. The contract for these services will also contain an option to renew, upon the same terms and conditions, for up to two (2) additional one (1) year periods. Exercise of the renewal options will be at the sole discretion of the System.
- Submit your Financial Proposal as described above, using the forms provided.

**MARYLAND STATE RETIREMENT AGENCY  
REQUEST FOR PROPOSALS  
NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES**

**FINANCIAL PROPOSAL**

\_\_\_\_\_  
Name of Offeror

\_\_\_\_\_  
Services Offered

Please submit your financial proposal for as the services described in RFP Section 3.3.

Initial Term of Contract:

Services for March 1, 2020 to February 28, 2021: \$\_\_\_\_\_

Services for March 1, 2021 to February 28, 2022: \$\_\_\_\_\_

Services for March 1, 2022 to February 28, 2023: \$\_\_\_\_\_

Services for March 1, 2023 to February 29, 2024: \$\_\_\_\_\_

Services for March 1, 2024 to February 28, 2025: \$\_\_\_\_\_

Optional Extensions:

Services for March 1, 2025 to February 28, 2026: \$\_\_\_\_\_

Services for March 1, 2026 to February 28, 2027: \$\_\_\_\_\_

Company Name\_\_\_\_\_

Federal Tax Number\_\_\_\_\_

Company Address\_\_\_\_\_

City\_\_\_\_\_State\_\_\_\_\_Zip\_\_\_\_\_

Phone\_\_\_\_\_Fax\_\_\_\_\_

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Authorized Signature

**ATTACHMENT F – CONFLICT OF INTEREST AFFIDAVIT/DISCLOSURE**

**NON-DISCRETIONARY PRIVATE MARKET CONSULTING SERVICES**

A. “Conflict of interest” means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the State, or the person’s objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.

B. “Person” has the meaning stated in COMAR 21.01.02.01B(64) and includes a Offeror, Contractor, consultant, or subcontractor or sub-consultant at any tier, and also includes an employee or agent of any of them if the employee or agent has or will have the authority to control or supervise all or a portion of the work for which a Proposal is made.

C. The Offeror warrants that, except as disclosed in §D, below, there are no relevant facts or circumstances now giving rise or which could, in the future, give rise to a conflict of interest.

D. The following facts or circumstances give rise or could in the future give rise to a conflict of interest (explain in detail — attach additional sheets if necessary):

E. The Offeror agrees that if an actual or potential conflict of interest arises after the date of this affidavit, the Offeror shall immediately make a full disclosure in writing to the Procurement Officer of all relevant facts and circumstances. This disclosure shall include a description of actions which the Offeror has taken and proposes to take to avoid, mitigate, or neutralize the actual or potential conflict of interest. If the contract has been awarded and performance of the contract has begun, the Contractor shall continue performance until notified by the Procurement Officer of any contrary action to be taken.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_

(Authorized Representative and Affiant)

**ATTACHMENT G – FORM OF CONTRACT**

**NON-DISCRETIONARY PRIVATE MARKET INVESTMENT CONSULTING SERVICES CONTRACT**

This Non-Discretionary Private Market Investment Consulting Services Contract (the “Contract”) is made as of the \_\_\_\_\_ day of \_\_\_\_\_, [2020], by and between the MARYLAND STATE RETIREMENT AGENCY (the “Agency”) FOR THE USE OF THE BOARD OF TRUSTEES FOR THE MARYLAND STATE RETIREMENT AND PENSION SYSTEM (collectively, the "System"), and [ \_\_\_\_\_ ] (the "Contractor").

WITNESSETH:

In consideration of the mutual covenants and promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the System and the Contractor agree as follows.

**1. Definitions.**

In this Contract, the following words have the meanings indicated:

1.1 “Agency” means the Maryland State Retirement Agency.

1.2 “Board” means the Board of Trustees for the Maryland State Retirement and Pension System.

1.3 “Contract” means this contract for non-discretionary private market investment consulting services.

1.4 “Contract Manager” means the Deputy Chief Investment Officer of the Agency, his or her designee, or a successor designated by the System.

1.5 “Contractor” means [ \_\_\_\_\_ ] whose principal business address is [ \_\_\_\_\_ ].

1.6 “Financial Proposal” means the Contractor’s Financial Proposal that was submitted in response to the RFP, originally on [ \_\_\_\_\_ ], [but was replaced by the Contractor’s [ \_\_\_\_\_ ] best and final offer]].

1.7 “Proposal” means both the Contractor’s Technical Proposal and Financial Proposal.

1.8 “RFP” means the Request for Proposals for Non-Discretionary Private Market Investment Consulting Services for the Maryland State Retirement Agency, dated [\_\_\_\_], 2019.

1.9 “State” means the State of Maryland.

1.10 “System” means the Maryland State Retirement and Pension System.

1.11 “Technical Proposal” means the Contractor’s Technical Proposal, dated [ ], 2019, submitted in response to the RFP, [and amended on \_\_\_\_, 2019].

**2. Scope of Services.**

The Contractor agrees to provide the non-discretionary private market investment consulting services set forth in **Exhibit A** to the System. Unless otherwise directed, all communications with and deliverables shall be directed through the Contract Manager.

**3. Term; Termination.**

3.1. Term. Unless sooner terminated in accordance with the provisions of this Contract:

(a) the initial term of this Contract shall be the five (5) year period beginning [\_\_], 2020 and ending [\_\_], 2025; and

(b) at the sole option of the System, this Contract may be extended upon the same terms and conditions for up to two (2) successive one (1) year renewal periods.

3.2. Termination. This Contract may be terminated at any time by the System upon written notice to the Contractor of such termination. Any termination of this Contract shall be without payment of any penalty by the System. Upon termination of this Contract, all finished or unfinished work provided by the Contractor shall, at the System’s option, become the System’s property. The System shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, subject to reduction in accordance with Section 4.3 of this Contract. Upon termination of this Contract, the Contractor shall cooperate with the System with respect to the transfer of documents and information to the System or its designee. From and after the effective date of termination of this Contract, the Contractor shall not be entitled to compensation for further services hereunder. Upon termination, the Contractor shall forthwith deliver to the Contract Manager all documents belonging to, or relating to, the Agency and this Contract then in custody of the Contractor, and otherwise cooperate with the Agency with respect to the transition and winding down of services.

**4. Compensation.** The Contractor shall be entitled to compensation for its services provided, and expenses incurred, in connection with this Contract as follows:

4.1. Total NTE Amount. For the provision of all services hereunder, the Contractor shall be entitled to aggregate compensation for services provided, not to exceed the amounts set forth below:

Year	Not To Exceed (NTE) Amount
------	----------------------------



[__], 2020 – [__], 2021	\$
[__], 2021 – [__], 2022	\$
[__], 2022 – [__], 2023	\$
[__], 2023 – [__], 2024	\$
[__], 2024 – [__], 2025	\$
First optional extension [__], 2025 – [__], 2026	\$
Second optional extension [__], 2026 – [__], 2027	\$

The Contractor shall not be entitled to separate expense reimbursement.

4.2 Invoices must be submitted quarterly in a format satisfactory to the System. Payments to the Contractor pursuant to this Contract shall be made no later than thirty (30) days after the System’s receipt of a proper invoice from the Contractor. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, are prohibited. The final payment under this Contract will not be made until after certification is received from the Comptroller of the State of Maryland that all taxes have been paid. The System represents and warrants that, as a governmental pension plan within the meaning of Section 414(d) of the Internal Revenue Code, it is tax-exempt.

4.3 In addition to any other available remedies, if in the opinion of the System, the Contractor fails to perform in a satisfactory and timely manner, the System may refuse or limit approval of any invoice for payment, and may cause payments to the Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the System in accordance Contract. The final payment will not be made until after certification is received from the Comptroller of the State of Maryland that all taxes have been paid.

4.4 The System may deduct from and set off against any amounts due and payable to the Contractor any back-charges, penalties, or damages sustained by the System, by virtue of any breach of the Contract by Contractor. Nothing herein shall be construed to relieve the Contractor of liability for additional costs resulting from a failure to satisfactorily perform the services.

**5. Representations, Warranties, Covenants, Acknowledgments and Agreements of the Contractor.**

5.1. Qualification of Contractor. The Contractor warrants that it is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940 and that it is registered or exempt from registration under Title 11 of the Corporation and Associations Article of the Annotated Code of Maryland. [The Contractor is also authorized and regulated in the conduct of “regulated activities” (as defined in the Financial Services and Markets Act 2000 (FSMA)) in the United Kingdom by the Financial Services Authority (FSA).] *[Note: Add if applicable]* The

Contractor shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

5.2. Fiduciary Status with respect to the System. The Contractor acknowledges that it is a fiduciary (as that term is defined in Title 21, Subtitle 2 of the State Personnel and Pensions Article of the Annotated Code of Maryland (“SPP”) and as defined in Section 3(21) of the Employees Retirement Income Security Act of 1974, as amended to date (“ERISA”)) with respect to the services which it will provide under this Contract, and is subject to the standards of care set forth in SPP § 21-203 with respect to the System and in regard to the services that it will provide under this Contract. The Contractor accepts its appointment as such fiduciary, and specifically agrees to perform its duties with respect to the System with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. The Contractor agrees to discharge its duties with respect to the System (i) solely in the interest of the beneficiaries and participants of the System and (ii) otherwise in accordance with the terms of this Contract. The Contractor understands and acknowledges its potential liability for any breach of its aforesaid fiduciary duties, which liability includes, without limitation, payment of damages, restoration of any profits made through the use of the System’s assets, and other equitable or remedial relief.

5.3. Other Representations, Warranties and Covenants of the Contractor. The Contractor hereby represents, warrants and covenants to the System as follows:

5.3.1 The Contractor is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified.

5.3.2 The Contractor is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including, but not limited to, the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract.

5.3.3 The Contractor will comply with all requirements which any federal, state, local, foreign or international law or regulation may impose with respect to the subject matter of or transactions contemplated by this Contract (“Legal Requirements”) and will promptly cooperate with and furnish information to the System regarding such Legal Requirements.

5.3.4 The Contractor shall refrain from transactions in which it may have a conflicting material interest (direct or indirect) without prior written consent from the System.

5.3.5 All services which the Contractor provides hereunder shall meet the requirements and standards set forth in the Contract (including any Exhibits and attachments). At the Contract Manager’s request, the Contractor shall promptly correct any errors or omissions in the provision of such services.

5.3.6 No gratuities in the form of gifts, entertainment or otherwise, have been or will be offered or given to any officer, fiduciary or employee of the Maryland State Retirement

Agency (“Agency”) or the System or the State of Maryland with a view toward securing any favorable treatment concerning the performance and/or continuation of this Contract. If the System finds that the Contractor has offered or given such gratuities, the System may terminate this Contract at any time upon written notice. Except for the compensation provided for in this Contract, the Contractor agrees that neither it nor any of its employees or agents shall receive any remuneration or take any action to receive any remuneration, of any type, nature or description whatsoever in connection with the investment of the assets of the Maryland State Retirement and Pension System. This Contract shall not restrict the Contractor from pursuing any other engagement so long as such engagement does not prevent the Contractor from adequately and timely performing the services provided for in, and contemplated by, this Contract.

5.3.7 The Contractor shall not engage, directly or indirectly, in any financial or other transaction with any trustee, staff member, or employee of the Agency or the System which would violate standards in the Maryland Public Ethics Law, Annotated Code of Maryland, State Government Article Section 15-501 et seq. and any successor statute thereto.

5.3.8 The Contractor shall promptly, and in any case within five (5) calendar days, notify the System in writing if: (1) \_\_\_\_\_, \_\_\_\_\_ or \_\_\_\_\_ are no longer actively involved in rendering services hereunder, (2) there is any material change in the management personnel of the Contractor or the professional personnel actively involved in rendering services hereunder; (3) any material change in ownership or control of the Contractor, or (4) any other material change in the business organization of the Contractor, including, but not limited to, the filing for bankruptcy relief.

5.3.9 The Contractor shall annually provide the System with copies of its audited financial statements, including its balance sheet, income statement and statement of cash flow, within fifteen (15) days after such financial statements become available.

5.3.10 To the extent permitted by applicable law, the Contractor shall promptly advise the System in writing of any extraordinary investigation, examination, complaint, disciplinary action or other proceeding in the twenty-four (24) preceding months relating to or affecting the Contractor's ability to perform its duties under this Contract or involving any investment professional employed by the Contractor, which is commenced by any of the following: the U.S. Securities and Exchange Commission; the New York Stock Exchange; the American Stock Exchange; the Financial Industry Regulatory Authority (FINRA); the Financial Services Authority (FSA); any Attorney General or any regulatory agency of any state of the United States; any U.S. Government department or agency, or any governmental agency regulating securities of any country in which the Contractor is doing business. Except as otherwise required by law, the System shall maintain the confidentiality of all such information until the investigating entity makes the information public.

5.3.11 The Contractor shall annually file with the System a compliance certificate, executed by a responsible officer of the Contractor's firm, substantially in the form attached hereto as **Exhibit C-2**, within thirty (30) days after each June 30. As part of its annual compliance review, the Contractor acknowledges and agrees that it will complete the System’s Annual Compliance Questionnaire (a form of which is attached hereto as **Exhibit C-2**, and as amended from time to

time, the “Questionnaire”), and provide the System with written responses to the Questionnaire as appropriate.

5.3.12 The personnel and agents of the Contractor responsible for discharging the Contractor's duties and obligations under this Contract are and will be individuals experienced in the performance of the various functions contemplated by this Contract. None of such individuals has been convicted of any felony, found liable in a civil or administrative proceeding, pleaded no contest, or agreed to any consent decree with respect to any matter involving breach of trust, breach of fiduciary duty, fraud, violations of any federal or state securities law or the FINRA Code of Conduct, or bankruptcy law violations. The Contractor shall immediately notify the System if this representation and warranty is no longer accurate.

5.3.13 The Contractor does not and shall not knowingly employ in any capacity: (1) any employee of the State of Maryland or a unit thereof, or a fiduciary of the System, who (x) could influence the award of this Contract or any competing assignment, or (y) does or will have any direct or indirect financial interest in this Contract, or (z) performs duties relating to or affecting the subject matter of this Contract (“Interested Person”), or (2) any spouse or economic dependent of any Interested Person

5.3.14 Neither any representation, warranty, covenant or acknowledgment contained in this Contract nor any written statement, certificate, or document furnished or to be furnished to the System by or on behalf of the Contractor pursuant to this Contract contains or will contain any misstatement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.

5.4. All of the representations, warranties, covenants, acknowledgments and agreements set forth in the Contractor’s Contract Affidavit, a copy of which is attached hereto as **Exhibit D**, are incorporated by reference herein and made a part hereof.

5.5. All of the representations, warranties, covenants, acknowledgments and agreements set forth in the Contractor’s Conflict of Interest Affidavit and Disclosure, a copy of which is attached hereto as **Exhibit C-1**, remain true and complete as of the date of this Contract, are incorporated by reference herein and made a part hereof.

5.6 The Contractor shall comply, and shall cause its subcontractors and agents to comply, with the provisions of **Exhibit G** of this Contract as a condition of the Agency authorizing any such person to have remote access to the Agency’s data on systems maintained by the Agency’s custodian.

5.7. The Contractor:

5.7.1 acknowledges that it (A) has received copies of (i) the System’s Investment Policy Manual (the “Manual”), and (ii) Annotated Code of Md., State Personnel and Pensions Art., Sections 21-116, 21-122 and 21-123.

5.7.2 agrees that, in providing services hereunder, it will comply with all of the guidelines and restrictions set forth in the documents referenced in Section 5.7.1 above, as amended from time to time.

5.8 Reliance by the System. The Contractor acknowledges and understands that the continuing truth and accuracy of the representations, warranties, covenants, acknowledgements and agreements by the Contractor referenced in this Contract shall be relied upon by the System during the term of this Contract. The Contractor shall notify the System in the event that any of the representations, warranties, covenants, acknowledgements and agreements shall cease to be true and correct during the term of the Contract by delivering written notice to the System no later than three (3) business days after the representation, warranty, covenant, acknowledgement or agreement ceases to be true and correct. Upon receipt of notice, or if the Contractor fails to comply with its representations, warranties, covenants, acknowledgements or agreements hereunder, the System shall have the following options: (i) grant the Contractor a reasonable period of time within which to take such actions as may be necessary to perform or otherwise cure the violation of such representation, warranty, covenant, acknowledgement or agreement; (ii) resort to any other rights and remedies available to the System under applicable law; or (iii) terminate the Contractor in accordance with Section 3.2 of this Contract.

**6. Insurance Requirements.** The Contractor shall obtain and maintain in full force and effect insurance of the types and amounts specified in this Section 6. The Contractor shall provide prompt written notification should such coverage be canceled or modified, and in any event shall maintain insurance which meets the following minimum standards:

6.1 Directors and Officers liability insurance coverage of at least [ ] Dollars (\$\_\_\_\_\_);

6.2 Investment Adviser Professional Indemnity Insurance or similar policy covering actions taken by the Contractor, its agents, employees and subcontractors arising from the services which the Contractor provides pursuant to this Contract. Such policy shall have a per-occurrence limit of at least [ ] Dollars (\$\_\_\_\_\_ ) and an annual aggregate of at least [ ] Dollars (\$\_\_\_\_\_).

6.3 The Contractor warrants that it carries adequate workers' compensation and other insurance as required by State and federal law, and shall maintain such insurance at levels acceptable to the System in full force and effect during the term of this Contract. The Contractor agrees to furnish satisfactory evidence of this insurance coverage to the System upon request.

## **7. Confidentiality and Publicity.**

7.1 Subject to the Maryland Public Information Act (the "PIA") and any other applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any all data and materials of whatsoever nature furnished to the Contractor by the System for use under this Contract and data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and

employees to the extent that such disclosure is contemplated by this Contract or necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; or (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

7.2 The Contractor agrees that all reports, studies, analyses, specifications, recommendations and all other materials of whatsoever nature, prepared by the Contractor for use under this Contract or furnished to the Contractor by the System for use under this Contract, are to be considered confidential, and that the Contractor will neither release, publish, circulate nor use any of the foregoing except in the performance of its work under this Contract.

7.3 No press release or other dissemination of information to the media, or response to requests for information from the media, relating to the work performed by the Contractor hereunder or the transactions contemplated hereby, shall be issued by the Contractor without the prior written approval of the System; provided, however, that the Contractor may include the System's name on client lists maintained by the Contractor and made available to third parties. The Contractor further undertakes not to release any materials to third parties without the Agency's prior permission.

7.4 A copy of the Non-Disclosure Agreement is included as **Exhibit F** of this Contract and is incorporated herein by this reference.

7.5 The provisions of this Section 7 shall survive the termination of this Contract.

## **8. File backup; disaster recovery.**

The Contractor agrees to regularly perform critical file backups, rotate backup to offsite storage locations on a regular basis and maintain and update its disaster recovery plan. The Contractor agrees to supply the System with a copy of its disaster recovery plan, and inform the System of any material changes to its disaster recovery plan.

## **9. Loss of Data.**

In the event of loss of any State data or records where such loss is due to the intentional act or omission or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the Contract Monitor. The Contractor shall ensure that all data is backed up and recoverable by the Contractor. Contractor shall use its best efforts to assure that at no time shall any actions undertaken by the Contractor under this Contract (or any failures to act when Contractor has a duty to act) damage or create any vulnerabilities in data bases, systems, platforms, and/or applications with which the Contractor is working hereunder.

## **10. Patents, Copyrights, Intellectual Property**

10.1 If the Contractor furnishes any design, device, material, process, or other item, which is covered by a patent, trademark or service mark, or copyright or which is proprietary to, or a trade secret of, another, the Contractor shall obtain the necessary permission or license to permit the State to use such item or items.

10.2 The Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by the Contractor infringes any patent, trademark, service mark, copyright, or trade secret. If a third party claims that a product infringes that party's patent, trademark, service mark, trade secret, or copyright, the Contractor will defend the State against that claim at Contractor's expense and will pay all damages, costs, and attorneys' fees that a court finally awards, provided the State: (a) promptly notifies the Contractor in writing of the claim; and (b) allows Contractor to control and cooperates with Contractor in, the defense and any related settlement negotiations. The obligations of this paragraph are in addition to those stated in Section 11.3 below.

10.3 If any products furnished by the Contractor become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement, the Contractor will, at its option and expense: (a) procure for the State the right to continue using the applicable item; (b) replace the product with a non-infringing product substantially complying with the item's specifications; or (c) modify the item so that it becomes non-infringing and performs in a substantially similar manner to the original item.

10.4 The provisions of this Section 10 shall survive the termination of this Contract.

## **11. Rights to Records**

11.1 The Contractor agrees that all documents and materials including, but not limited to, software, reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, graphics, mechanical, artwork, computations, and data prepared by the Contractor for purposes of this Contract shall be the sole property of the Agency and shall be available to the Agency at any time. The Agency shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract.

11.2 The Contractor agrees that at all times during the term of this Contract and thereafter, works created as a deliverable under this Contract, and services performed under this Contract shall be "works made for hire" as that term is interpreted under U.S. copyright law. To the extent that any products created as a deliverable under this Contract are not works made for hire for the Agency, the Contractor hereby relinquishes, transfers, and assigns to the Agency all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the Agency in effectuating and registering any necessary assignments.

11.3 The Contractor shall report to the Contract Manager, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all data delivered under this Contract.

11.4 The Contractor shall not affix any restrictive markings upon any data, documentation, or other materials provided to the Agency hereunder and if such markings are affixed, the Agency shall have the right at any time to modify, remove, obliterate, or ignore such warnings.

## **12. Indemnification.**

12.1 Generally. The Contractor agrees to indemnify and hold harmless the System, the Board, and the Agency, and their trustees, officers, employees and agents (any and all of whom is/are referred to as “Indemnified Party”) from and against any and all losses, claims, damages, judgments, liabilities, fines or penalties of any nature whatsoever (any and all of which is/are referred to as “Damages”), to which the Indemnified Party may become subject, insofar as such Damages are caused by or arise directly out of the negligence, willful misconduct, breach of fiduciary duty, bad faith, improper or unethical practice, infringement of intellectual property rights, breach of trust, breach of confidentiality, breach of contract, or violation of any Legal Requirements (as that term is defined in Section 5.3.3 above) on the part of the Contractor or its subcontractors or agents acting in connection with this Contract or other documents or agreements governing transactions undertaken for the System. This indemnification shall survive the termination of this Contract.

### 12.2 Liability of State.

12.2.1 The State of Maryland, its departments, agencies, officials, officers and employees (the “State”) has no obligation to provide legal counsel or legal defense to the Contractor or its subcontractors in the event that a suit, claim or action of any character is brought by any person or persons not party to the Contract against the Contractor or its subcontractors as a result of or relating to the Contractor’s obligations under this Contract.

12.2.2 The State has no obligation for the payment of any judgments or the settlement of any claims made against the Contractor or its subcontractors as a result of or relating to the Contractor’s obligations under the Contract.

12.3 Notice of and Cooperation in Litigation. The Contractor shall immediately give notice to the Contract Manager of any claim or suit made or filed against the Contractor or its subcontractors regarding any matter resulting from or relating to the Contractor’s obligations under this Contract, and shall cooperate, assist and consult with the State in the defense or investigation of any claim, suit, or action made or filed against the State as a result of or relating to the Contractor's obligations under this Contract.

12.4 The provisions of this Section 12 shall survive the termination of this Contract.

## **13. Amendments; Subcontracting and Assignment.**



13.1. Entire Contract; Amendments. This Contract, consisting of this contract and the following Exhibits:

<u>Exhibit</u>	<u>Description</u>
A	Scope of Services
B	Proposal
C-1	Conflict of Interest Affidavit and Disclosure
C-2	Annual Compliance Questionnaire and Certificate
D	Contract Affidavit
E	Mandatory Terms and Conditions
F	Non-Disclosure Agreement
G	Remote Access Terms

constitutes the entire agreement between the parties and all other communications prior to its execution, whether written or oral, with reference to the subject matter of the Contract are superseded by this Contract. This Contract may only be changed or modified in writing signed by both parties.

13.2. Subcontracting and Assignment. The Contractor may not subcontract any portion of the services provided under the Contract without obtaining the prior written approval of the System, nor may the Contractor assign the Contract, or any of its rights or obligations hereunder, without the prior written approval of the System. Any subcontract shall include such language as may be required in various clauses contained within this Contract, exhibits, attachments. The Contract shall not be assigned until appropriate approvals, documents, and affidavits are completed and properly registered. Notwithstanding any subcontract or assignment permitted hereunder, the Contractor shall always remain liable to the System for the Contractor's obligations hereunder and for all actions of any subcontractor or assignee to the same extent as the Contractor is liable for its own actions hereunder. The System shall not be responsible for the fulfillment of the Contractor's obligations to subcontractors.

#### **14. Conflict of Interest.**

The Contractor will provide Services to the System and must do so impartially and without any conflicts of interest. The Contractor's first priority in performing the duties of the Contract shall be the protection of the System's interests. The Contractor will be required to complete a Conflict of Interest Affidavit. A copy of the Conflict of Interest Affidavit/Disclosure is included as **Exhibit D** of this Contract and is incorporated herein by this reference. The Contractor shall provide periodic updates to the Agency and the Contract Manager, providing information such as that required by the Conflict of Interest Affidavit/Disclosure attached as **Exhibit D**, certifying whether an actual or potential conflict of interest exists. The Contractor shall notify the System and the Contract Manager whenever the Contractor provides services to, contracts with, or receives any compensation or remuneration from an organization or company that is involved in a matter related to this Contract. If the Contract Manager makes a determination that facts or circumstances

exist that give rise to or could in the future give rise to a conflict of interest within the meaning of the Code of Maryland Regulations (“COMAR”) 21.05.08.08A, the System may terminate the Contract in accordance with COMAR 21.05.05.08D.

**15. Cost and Price Certification.**

15.1 By submitting cost or price information, the Contractor certifies to the best of its knowledge that the information submitted is accurate, complete, and current as of a mutually determined specified date prior to the conclusion of any price discussions or negotiations.

15.2 The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date agreed upon by the parties, was inaccurate, incomplete, or not current.

**16. Contingent Fee Prohibition.**

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity other than a bona fide employee or agent working for the Contractor to solicit or secure this Contract; and that it has not paid or agreed to pay any person, partnership, corporation, or other entity other than a bona fide employee or agent any fee or other consideration contingent on the making of this Contract.

**17. Unilateral Right of the System to Change Duties.**

The System, through the Contract Manager, retains the unilateral right to require modification or changes in the duties to be performed by the Contractor so long as the changes are within the general scope of the Contractor's duties to be performed under this Contract and the Contractor receives notice in writing of the changes.

**18. Delays and Extensions of Time.**

The Contractor agrees to perform the work under this Contract continuously and diligently. No charges or claims for damages shall be made by the Contractor for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract. Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to acts of God, acts of the public enemy, acts of the System in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the System, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

**19. Suspension of Work.**

The Contract Manager may unilaterally order the Contractor in writing to suspend, delay, or interrupt all or any part of the work for such period of time as the Contract Manager may

determine to be appropriate for the convenience of the State.

**20. Multi-Year Contracts Contingent Upon Appropriations.**

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first period, this Contract shall be cancelled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance under the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of the Contract for each succeeding fiscal period beyond the first.

**21. [Parent Company Guarantee (If Applicable)]**

(Corporate name of Contractor's Parent Company) hereby guarantees absolutely the full, prompt, and complete performance by (Contractor) of all the terms, conditions and obligations contained in this Contract, as it may be amended from time to time, including any and all exhibits that are now or may become incorporated hereunto, and other obligations of every nature and kind that now or may in the future arise out of or in connection with this Contract, including any and all financial commitments, obligations, and liabilities. (Corporate name of Contractor's Parent Company) may not transfer this absolute guaranty to any other person or entity without the prior express written approval of the State, which approval the System may grant, withhold, or qualify in its sole and absolute subjective discretion. (Corporate name of Contractor's Parent Company) further agrees that if the System brings any claim, action, suit or proceeding against (Contractor), (Corporate name of Contractor's Parent Company) may be named as a party, in its capacity as Absolute Guarantor.]

**22. Record Retention; Inspection of Records.**

The Contractor shall (i) retain and maintain all records and documents relating to this Contract for a period of five (5) years from the date of final payment under this Contract or any subcontract hereunder or any applicable statute of limitations, whichever is longer, and (ii) make the records and documents available for inspection and audit by the Legislative Auditor of the State of Maryland, the System's actuary, the System's auditor, and authorized representatives of the System at all reasonable times. The Contractor shall also maintain for the same time period any additional records and documents that support all recommendations made by the Contractor during the term of this Contract. If such documentation is maintained on an automated system, appropriate retention, retrieval and back-up policies must be established, implemented and maintained. This Section 22 shall survive expiration or termination of the Contract.

**23. Mandatory Contractual Provisions.**

Set forth in **Exhibit E** hereto are certain other required contractual terms and conditions applicable to the Contractor's performance hereunder. In the event of a conflict between a provision of the Mandatory Contractual Provisions which are attached hereto as **Exhibit E** and incorporated by reference herein, and any other provision of this Contract, then the provision of the Mandatory Contractual Provisions shall control.

**24. Miscellaneous Administration.**

24.1. Contract Manager. The work to be accomplished under the Contract shall be performed under the direction of the Chief Investment Officer of the System, his or her designee, or a successor designated by the System, as Contract Manager. All matters relating to the administration and performance of the Contract shall be referred to the Contract Manager for determination.

24.2. Notices. Notices and other writings shall be delivered or mailed postage prepaid:

To the System:

David Ferguson  
Managing Director – Private Equity  
Maryland State Retirement and Pension System  
120 E. Baltimore Street, 12th Floor  
Baltimore, Maryland 21202

To the Contractor:

\_\_\_\_\_

or to such other address as the System or the Contractor may hereafter specify in writing.

Telephone and facsimile notices shall be sufficient if communicated to the party entitled to receive such notice at the following numbers:

If to the System:

Mr. Burd  
Telephone: (410) 625-5571  
Fax: (410) 468-1701

If to Contractor: \_\_\_\_\_

or to such other numbers as either party may furnish the other party by written notice under this Section.

**25. Waiver.**

No failure or delay on the System's part in exercising any right or remedy hereunder shall operate as a waiver thereof. No waiver by either party of any failure or refusal to comply with an obligation hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply. No modification or waiver shall be effective unless it is in writing duly executed by the System.

**26. Procurement Regulations.**

Although this Contract is exempt from certain provisions of Division II of the State Finance and Procurement Article ("Procurement Article"), the requirements of the Procurement Article and COMAR, Title 21, State Procurement Regulations (as amended), will be applied to this Contract to the extent practicable and consistent with obtaining the best non-discretionary private market investment consultants for the System, all as determined in the Contract Manager's sole discretion. The appeal procedures contained in the Procurement Article and in the State Procurement Regulations will not apply to this Contract.

**27. Maryland Law.**

The place of performance of the Contract shall be the State of Maryland. The Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.

**28. ADV Registration.**

The System acknowledges receipt of a copy of Parts I and II of the Contractor's ADV Registration Statement pursuant to Rule 204-3(a) of the Act (the "ADV"); provided, however, that: (a) if the Contractor is exempt from such requirement, the Contractor agrees to provide the System with a letter from its counsel explaining the basis for such exemption, and (b) the Contractor may supply the System with the redacted version of the Part I ADV posted on the SEC's website. The Contractor acknowledges and agrees to provide the System with copies of the Contractor's ADV (a) annually, as part of the annual compliance certification process (see **Exhibit C-2**) and (b) if, as and when the ADV is modified.

**29. Authority.**

Each party to the Contract represents and warrants to the other that it has the full right, power, and authority to execute this Contract and to perform the acts contemplated hereunder and the person signing this Contract on behalf of each party has been properly authorized and empowered to enter into this Contract.

**30. Counterparts.**

This Contract may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be deemed one and the same document.

**31. Successors and Assigns.**

This Contract shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

**[REMAINDER OF PAGE INTENTIONALLY BLANK]**

In recognition of their acceptance of the terms and conditions of this Contract, the System and the Contractor, acting by and through their duly authorized representatives, hereby execute this Non-Discretionary Private Market Investment Consulting Services Contract as a sealed instrument as of the day and year first written.

**MARYLAND STATE RETIREMENT AGENCY FOR  
THE USE OF THE BOARD OF TRUSTEES FOR THE  
MARYLAND STATE RETIREMENT AND PENSION  
SYSTEM**

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
By: R. Dean Kenderdine  
Executive Director and Secretary of the Board

[ ]

\_\_\_\_\_  
Name:  
Title:

By:\_\_\_\_\_

Approved as to form and legal  
sufficiency for the State of  
Maryland this \_\_\_\_ day of  
\_\_\_\_\_, 2020

\_\_\_\_\_  
Assistant Attorney General

**EXHIBIT A**

**SCOPE OF SERVICES**

*[Note: To be incorporated from RFP]*



**EXHIBIT B**

**PROPOSAL**

*[Note: To be attached / incorporated from RFP response]*

**EXHIBIT C-1**

**CONFLICT OF INTEREST AFFIDAVIT AND DISCLOSURE**

*[Note: To be attached / incorporated from RFP response]*

**EXHIBIT C-2**

**ANNUAL COMPLIANCE QUESTIONNAIRE AND CERTIFICATE**

As a duly authorized officer of \_\_\_\_\_ (the "Consultant"), I hereby certify that (a) I am familiar with that certain \_\_\_\_\_ Agreement dated \_\_\_\_\_, 201\_\_ (the "Agreement") between the Board of Trustees for the Maryland State Retirement and Pension System and the Consultant, and (b) I have reviewed the System's Annual Compliance Questionnaire (the "Questionnaire"). Except as disclosed in the responses to the Questionnaire and to the best of my knowledge after diligent inquiry, I hereby certify to the System that:

- (a) All of the attached responses to the Questionnaire are true and correct as of the date of this Compliance Certificate;
- (b) During the fiscal year ending June 30, 2019, no member of the Board of Trustees, or key staff of the Agency, and no person claiming to represent or have influence with the Board of Trustees has contacted the Consultant with respect to a financial transaction or solicitation which is not solely on behalf of the System's business with the Consultant, except as set forth below;
- (c) The Consultant is in compliance with all representations, warranties, covenants, and acknowledgments in the Agreement which apply to the Consultant, including, but not limited to, compliance with the Maryland Public Ethics Law and any indemnity or insurance coverage requirements, except as set forth below; and
- (d) The current insurance coverage applicable to the Agreement is as follows: **(Please attach insurance certificates or other evidence of insurance.)**

Professional Indemnity coverage dedicated to the Agreement: \_\_\_\_\_ Date of expiration: \_\_\_\_\_

Per occurrence limit: \_\_\_\_\_

Annual aggregate: \_\_\_\_\_

Directors and officers liability: \_\_\_\_\_ Date of expiration: \_\_\_\_\_

Fidelity bond or similar coverage: \_\_\_\_\_ Date of expiration: \_\_\_\_\_

Other: \_\_\_\_\_ Date of expiration: \_\_\_\_\_

Exceptions: (Attach a separate sheet if necessary.)

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

## Annual Compliance Questionnaire

1. Has your firm or any present or former employee(s) of your firm been investigated, fined or censured by any federal, state or industry regulatory body (each, a “regulatory body”)? Yes  No  If so, please provide an explanation.
2. When was your firm last inspected by any regulatory body? Please provide a copy of the inspection reports and your responses to the reports.
3. Is your firm a party to any pending litigation or investigative or other proceeding by a regulatory body? Yes  No  If so, please provide an explanation.
4. Is your firm party to any pending litigation brought by a present or former employee alleging adverse employment action, including retaliation or termination, for alleged “whistleblowing” or otherwise alleging breaches of the firm’s obligations to its clients? Yes  No  If so, please provide an explanation.
5. Who is responsible for regulatory compliance? Is this a full time position?
6. Have there been any client losses at your firm over the last three years that caused you to compensate the client? Yes  No  If so, please provide an explanation.
7. Are there any potential conflicts of interest between your firm and any fiduciary of the Maryland State Retirement and Pension System or any employee of the Maryland State Retirement Agency? Yes  No  If so, please provide an explanation.
8. Has your firm received compensation of any type from any entities other than clients? Yes  No  If so, please provide an explanation, including (i) information regarding all such entities, (ii) inception date of relationship, and (iii) description of compensation arrangement.
9. Are there any significant matters about your firm that should be brought to our attention, such as organizational changes or ownership of your firm? Yes  No  If so, please provide an explanation.
10. Please describe what policies and procedures your firm have in place to encourage diverse opinions and thoughts? Please provide a copy of any diversity policy your firm has in place.
11. Please provide updated copies of the following documents:
  - Audited financial statements for the firm’s last two fiscal years
  - Employee code of ethics policy
  - Business disaster recovery plan
  - Current SSAE16 (if applicable)
  - Form ADV Parts 1 and 2 (Note: Consultant also must provide the Agency with copies of the Consultant’s ADV if, as and when the ADV is modified)
  - Internal Revenue Service Form W-9, W-8BEN or other documentation of classification under FATCA Insurance certificates or evidence of insurance per the Agreement

**EXHIBIT D**

**CONTRACT AFFIDAVIT**

*[Note: See Attachment D of RFP; to be completed and attached at the time of contract execution]*

## **EXHIBIT E**

### **MANDATORY TERMS AND CONDITIONS**

Pursuant to the Annotated Code of Maryland, State Finance and Procurement Art. §11-203(d), the Board of Trustees of the Maryland State Retirement and Pension System is exempt from the applicability of the State's procurement laws for certain expenditures to manage, maintain and enhance the value of the retirement system. Although the procurement of the services to be rendered by [\_\_\_\_\_] (the "Contractor") pursuant to the attached Non-Discretionary Private Market Investment Consulting Services Contract (the "Contract") is, as a general matter, exempt from the procurement laws, under State law the following provisions of Maryland law must be included in any contract.

In view of the foregoing, the parties agree that the following provisions are hereby included in the Contract:

#### **ARTICLE I - NONDISCRIMINATION IN EMPLOYMENT**

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or physical or mental handicap unrelated in nature and extent so as reasonably to preclude the performance of such employment; (b) to include a provision similar to that contained in subsection (a), above, in any underlying subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

#### **ARTICLE II - FINANCIAL DISCLOSURE**

The Contractor shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article, Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall, within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

#### **ARTICLE III - POLITICAL CONTRIBUTION DISCLOSURE**

The Contractor shall comply with the provisions of Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into a contract for a procurement with the State, a county, or a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The

statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on or before: (i) May 31, to cover the six (6) month period ending April 30; and (ii) November 30, to cover the six (6) month period ending October 31.

#### **ARTICLE IV - NON-HIRING OF OFFICIALS AND EMPLOYEES**

The Contractor shall comply with the provisions of the Annotated Code of Maryland, State Government Article, Section 15-102, which provides that no official or employee of the State of Maryland, as defined therein, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract shall, during the pendency and term of this Contract and while serving as an official or employee of the State, become or be an employee of the Contractor or any entity that is subcontractor on this Contract.

#### **ARTICLE V - BRIBERY**

Neither the Contractor nor any officer, director or partner of the Contractor nor any employee of the Contractor directly involved in obtaining contracts with the State of Maryland, or any county or other sub-division of the State of Maryland, has been convicted of bribery, attempted bribery or conspiracy to bribe, nor has engaged in conduct, or by any acts or omissions, made admissions in writing or under oath during the course of an official investigation or other proceeding, since July 1, 1977, which would constitute an offense or offenses of bribery, attempted bribery, or conspiracy to bribe under the laws of any state or the federal government except as herein expressly stated:

---

(If none, so state)

As used herein, the word "convicted" includes an accepted plea of nolo contendere.

## **EXHIBIT F**

### **NON-DISCLOSURE AGREEMENT**

THIS NON-DISCLOSURE AGREEMENT (“Agreement”) is made by and between the State of Maryland (the “State”), acting by and through the Maryland State Retirement Agency (the “Agency”), and [\_\_\_\_\_] (the “Contractor”).

#### **RECITALS**

**WHEREAS**, the Contractor has been awarded a contract (the “Contract”) following the solicitation for Non-Discretionary Private Market Investment Consulting Services; and

**WHEREAS**, in order for the Contractor to perform the work required under the Contract, it will be necessary for the State at times to provide the Contractor and the Contractor’s employees, agents, and subcontractors (collectively “Contractor’s Personnel”) with access to certain information the State deems confidential (the “Confidential Information”).

**NOW, THEREFORE**, in consideration of being given access to the Confidential Information in connection with the solicitation and the Contract, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties do hereby agree as follows:

1. Regardless of the form, format, or media on or in which the Confidential Information is provided and regardless of whether any such Confidential Information is marked as such, “Confidential Information” means (1) any and all information provided by or made available by the State to the Contractor in connection with the Contract and (2) any and all Personally Identifiable Information (PII) (including but not limited to personal information as defined in Md. Ann. Code, General Provisions §4-101(h)) and Protected Health Information (PHI) that is provided by a person or entity to the Contractor in connection with this Contract. Confidential Information includes, by way of example only, information that the Contractor views, takes notes from, copies (if the State agrees in writing to permit copying), possesses or is otherwise provided access to and use of by the State in relation to the Contract.

2. The Contractor shall not, without the State’s prior written consent, copy, disclose, publish, release, transfer, disseminate, use, or allow access for any purpose or in any form, any Confidential Information except for the sole and exclusive purpose of performing under the Contract. The Contractor shall limit access to the Confidential Information to the Contractor’s Personnel who have a demonstrable need to know such Confidential Information in order to perform under the Contract and who have agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information. The names of the Contractor’s Personnel are attached hereto and made a part hereof as ATTACHMENT 1. The Contractor shall update ATTACHMENT 1 by adding additional names (whether Contractor’s personnel or a subcontractor’s personnel) as needed, from time to time.

3. If the Contractor intends to disseminate any portion of the Confidential Information to non-employee agents who are assisting in the Contractor’s performance of the Contract or will



otherwise have a role in performing any aspect of the Contract, the Contractor shall first obtain the written consent of the State to any such dissemination. The State may grant, deny, or condition any such consent, as it may deem appropriate in its sole and absolute subjective discretion.

4. The Contractor hereby agrees to hold the Confidential Information in trust and in strictest confidence, adopt or establish operating procedures and physical security measures, and take all other measures necessary to protect the Confidential Information from inadvertent release or disclosure to unauthorized third parties and to prevent all or any portion of the Confidential Information from falling into the public domain or into the possession of persons not bound to maintain the confidentiality of the Confidential Information.

5. The Contractor shall promptly advise the State in writing if it learns of any unauthorized use, misappropriation, or disclosure of the Confidential Information by any of the Contractor's Personnel or the Contractor's former Personnel. Contractor shall, at its own expense, cooperate with the State in seeking injunctive or other equitable relief against any such person(s).

6. The Contractor shall, at its own expense, return to the Agency all copies of the Confidential Information in its care, custody, control or possession upon request of the Agency or on termination of the Contract. The Contractor shall complete and submit ATTACHMENT 2 when returning the Confidential Information to the Agency. At such time, the Contractor shall also permanently delete any Confidential Information stored electronically by the Contractor.

7. A breach of this Agreement by the Contractor or the Contractor's Personnel shall constitute a breach of the Contract between the Contractor and the State.

8. Contractor acknowledges that any failure by the Contractor or the Contractor's Personnel to abide by the terms and conditions of use of the Confidential Information may cause irreparable harm to the State and that monetary damages may be inadequate to compensate the State for such breach. Accordingly, the Contractor agrees that the State may obtain an injunction to prevent the disclosure, copying or improper use of the Confidential Information. The Contractor consents to personal jurisdiction in the Maryland State Courts. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and seek damages from the Contractor and the Contractor's Personnel for a failure to comply with the requirements of this Agreement. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Contractor or any of the Contractor's Personnel to comply with the requirements of this Agreement, the Contractor shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and costs.

9. Contractor and each of the Contractor's Personnel who receive or have access to any Confidential Information shall execute a copy of an agreement substantially similar to this Agreement, in no event less restrictive than as set forth in this Agreement, and the Contractor shall provide originals of such executed Agreements to the State.

10. The parties further agree that:

- a. This Agreement shall be governed by the laws of the State of Maryland;
- b. The rights and obligations of the Contractor under this Agreement may not be assigned or delegated, by operation of law or otherwise, without the prior written consent of the State;
- c. The State makes no representations or warranties as to the accuracy or completeness of any Confidential Information;
- d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement;
- e. Signatures exchanged by facsimile are effective for all purposes hereunder to the same extent as original signatures;
- f. The Recitals are not merely prefatory but are an integral part hereof; and
- g. The effective date of this Agreement shall be the same as the effective date of the Contract entered into by the parties.

**IN WITNESS WHEREOF**, the parties have, by their duly authorized representatives, executed this Agreement as of the day and year first above written.

Contractor

Maryland State Retirement Agency

By: \_\_\_\_\_(SEAL)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**NON-DISCLOSURE AGREEMENT - ATTACHMENT 1**

**LIST OF CONTRACTOR'S EMPLOYEES AND AGENTS WHO WILL BE GIVEN  
ACCESS TO THE CONFIDENTIAL INFORMATION**

<b>Printed Name and Address of Individual/Agent</b>	<b>Employee (E) or Agent (A) Date</b>	<b>Signature</b>
_____	_____	_____
_____	_____	_____
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**NON-DISCLOSURE AGREEMENT – ATTACHMENT 2**

**CERTIFICATION TO ACCOMPANY RETURN OR DELETION OF CONFIDENTIAL INFORMATION**

I AFFIRM THAT:

To the best of my knowledge, information, and belief, and upon due inquiry, I hereby certify that: (i) all Confidential Information which is the subject matter of that certain Non-Disclosure Agreement by and between the Maryland State Retirement Agency (the “Agency”), and [ ] ( the “Contractor”). dated \_\_\_\_\_, 2019 (“Agreement”) is attached hereto and is hereby returned to the State in accordance with the terms and conditions of the Agreement; and (ii) I am legally authorized to bind the Contractor to this affirmation. Any and all Confidential Information that was stored electronically by me has been permanently deleted from all of my systems or electronic storage devices where such Confidential Information may have been stored.

**I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, HAVING MADE DUE INQUIRY.**

DATE: \_\_\_\_\_

NAME OF CONTRACTOR: \_\_\_\_\_

BY: \_\_\_\_\_  
(Signature)

TITLE: \_\_\_\_\_  
(Authorized Representative and Affiant)

## **EXHIBIT G**

### **Remote Access Terms**

In the event that the Agency authorizes the Program Manager, a Sub-manager or agents of such parties (each, an “Authorized Designee”) to have access on a remote basis to proprietary and third party systems as may be offered by State Street Bank and Trust, in its capacity as the Custodian (“State Street”) from time to time (each, a “System”), the Program Manager shall comply, and shall cause any other Authorized Designee to comply, with the following terms:

Authorized Designees shall comply with remote access operating standards and procedures and with user identification or other password control requirements and other security procedures as may be issued from time to time by State Street or its third party vendors for use of the System and access to the remote access services. The Program Manager shall be responsible for any use and/or misuse of the System and remote access services by a Sub-manager or agent. The Program Manager agrees to advise the Agency and State Street immediately in the event that the Program Manager learns or has reason to believe that any person given access to the System or remote access services has violated or intends to violate the terms set forth in this **Exhibit G** and the Program Manager will cooperate with State Street in seeking injunctive or other equitable relief. An Authorized Designee shall discontinue use of the System and remote access services, if requested, for any security reasons cited by State Street.

Each Authorized Designees agrees to keep the proprietary information confidential and to limit access to employees and Authorized Designees (under a similar duty of confidentiality) who require access to the System for the purposes intended. The foregoing shall not apply to information in the public domain or required by law to be made public.

Each Authorized Designee shall agree to use the remote access services only in connection with the proper purposes of this Agreement. The Program Manager will not, and will cause employees and Authorized Designees not to, (i) permit any other third party to use the System or the remote access services, (ii) sell, rent, license or otherwise use the System or the remote access services in the operation of a service bureau or for any purpose other than as expressly authorized under this Agreement, (iii) use the System or the remote access services for any fund, trust or other investment vehicle without the prior written consent of State Street, or (iv) allow or cause any information transmitted from the State Street’s databases, including data from third party sources, available through use of the System or the remote access services, to be published, redistributed or retransmitted for other than use for or on behalf of the Agency.

Each Authorized Designees agree that it will not modify the System in any way, enhance, copy or otherwise create derivative works based upon the System, nor will Authorized Designees reverse engineer, decompile or otherwise attempt to secure the source code for all or any part of the System.

Each Authorized Designee acknowledges that the disclosure of any proprietary information, or of any information which at law or equity ought to remain confidential, will immediately give rise to continuing irreparable injury to State Street or its third party licensors and vendors inadequately compensable in damages at law and that State Street shall be entitled to obtain immediate injunctive relief against the breach or threatened breach of any of the foregoing undertakings, in addition to any other legal remedies which may be available.

Each Authorized Designee acknowledges and agrees that the Agency may terminate authorization to access the System and remote access services at any time. In the event of

termination, each Authorized Designee will return to State Street all copies of documentation and other confidential information in its possession and immediately cease access to the System and remote access services.