

**BRISTOL COUNTY RETIREMENT SYSTEM
REQUEST FOR PROPOSAL
EMERGING MARKETS DEBT (HARD OR BLENDED CURRENCY)
INVESTMENT MANAGEMENT SERVICES**

I. INTRODUCTION

The Bristol County Retirement System (“Board”) is evaluating emerging market debt managers (“Proposed Product”) for a mandate of approximately \$15 million. Individual contracts will be awarded and stated in accordance with M.G.L. Ch. 32 and all applicable investment guidelines administered by the Public Employee Retirement Administration Commission (“PERAC”). The Board reserves the right to reject any and all proposals at its discretion or to select more than one manager and to determine the amount of assets each will manage.

Please direct questions pertaining to the Request for Proposal via email only to bostonrfp@segalmarco.com.

II. GENERAL INFORMATION

The Bristol County Retirement System has undergone extensive studies by both its actuary and its consultant, Segal Marco Advisors, to determine the status and direction the fund must take in order to best serve the current and future needs of its members. Based on these studies, a target asset allocation and investment goals have been determined. Given the System’s current asset allocation, the Board has decided to seek proposals for a hard or blended currency emerging markets debt manager. The Board is looking to hear from managers that will offer proper diversification for the portfolio in combination with the other strategies employed.

The Board has chosen to utilize a Request for Proposal process. The Chief Procurement Officer is Roxanne Donovan, Executive Director. The Board will also use the services of Segal Marco Advisors as its search consultant on this project.

III. SCOPE OF SERVICES

The successful respondent will be expected to invest the assets under his or her care in accordance with the dictates of M.G.L. Ch. 32 and the rules and regulations set forth by PERAC as well as the professional standards of a fiduciary.

The investment manager's primary responsibility, however, will be to serve the Board in its fiduciary capacity regarding these funds. The investment manager will be expected to meet with the Board at regular intervals and to report to the Board at least monthly on the portfolio. The investment manager will be expected to invest in accordance with the goals and objectives of the Board and within the tolerance for risk established therein.

Should the respondent ultimately be selected to manage the assets on behalf of the Board, under the requirements of M.G.L. Ch. 32, Section 23B, the contract must state that the manager is a fiduciary with respect to the Board’s funds and that the manager shall not be indemnified by the Board. Additionally, the contractual commitment cannot exceed seven years.

IV. SUBMISSION OF PROPOSALS

1. Proposal for Services and Proposal for Pricing must be separately submitted and sealed. Each envelope must include the “Respondent Firm Name – Bristol County Proposal for Services - EMD” and “Respondent Firm Name – Bristol County Proposal for Pricing - EMD”.
2. Please mail one original bound copy of the Service and Price Proposal and a copy on a flash drive (with all attachments) to the following:

Roxanne Donovan
Executive Director
Bristol County Retirement System
645 County Street
County Crossing
Taunton, MA 02780

3. Please email one copy of the Service and Price Proposal with all attachments (not to exceed 10MB) and the email subject “Bristol County EMD” to the following:

Kevin Roundtree
Segal Marco Advisors
Email: bostonrfp@segalmarco.com

4. Proposals shall be signed by an official with power to bind the firm, and it shall contain a statement that the proposal is firm through December 31, 2023.
5. Proposals must be received by the Retirement System prior to 3:00 p.m. EST on Friday, May 19, 2023. Proposals will not be accepted after the closing date and time.

The Board reserves the right to accept or reject any or all proposals or any parts thereof, and to waive any formalities in the submission of proposals if it is deemed in the best interests of the Board to do so.

Any questions relating to the proposal should be directed to Kevin Roundtree of Segal Marco (kroundtree@segalmarco.com or 617-424-7372).

V. ACCEPTANCE AND AWARD

The Board may elect to schedule an interview process with respondents based upon the proposals' relative merits and relative prices. The Board reserves the right to reject any or all proposals at its sole discretion whether prior to or after the interview. The Board shall also have sole discretion in deciding which respondents will be considered/interviewed.

The respondents are hereby advised that any proposal selected shall be subject to (a) approval of the Board, (b) a written contract, and (c) approval by PERAC. Failure of the parties to agree on mutually acceptable contract language will void the award of the proposed engagement to the selected candidate. The Board shall have sole discretion in determining whether the parties are unable to reach agreement on the language of the written contract. The Board may require that the contract contain mandatory contractual terms and language.

VI. MINIMUM CRITERIA

The successful respondent will be expected to meet the standards necessary in order to satisfy the demands placed on the Board under Section III – Scope of Services. Respondents must submit the Minimum Criteria Response Sheet accompanying this RFP. The Minimum Criteria Response Sheet and Fee schedule will be used by the Board to establish eligibility. The Board, in evaluating manager qualifications, will use the information provided and any other promotional materials, reports, or documents that the respondent may wish to submit.

The respondent must also submit the following documents, which are available through the PERAC website <http://www.mass.gov/perac/compliance-investments/compliance-forms/>:

- Vendor Contact Information – Form C-2281
- Vendor Disclosures – Form C-0576
- Vendor Certification – Form C-8135
- Placement Agent Statement for Investment Management – Form C-1034

Additionally, please include the following:

- Offering Memorandum or Prospectus for any proposed vehicle
- Copy of your firm's Code of Ethics Policy
- Copy of your firm's Form ADV Parts I and II
- Documentation providing proof of insurance coverage levels
- Independent audit certification of submitted performance results, if available

Failure to meet any of these criteria or to provide information in a form deemed suitable to the requirements of the Bristol County Retirement Board, will lead to automatic disqualification.

VII. SEARCH EVALUATION CRITERIA

The managers will be evaluated based on the following:

- The capability to manage the portfolio in accordance with requirements and restrictions mandated by M.G.L. Ch. 32 and PERAC.
- The ability to analyze and monitor financial markets.
- Proven track record of success in managing emerging market debt portfolios.
- Clear and demonstrable buy and sell disciplines, security selection processes, and execution procedures.
- The ability to keep execution and transaction costs down to competitive levels.
- The financial strength of the organization.
- The ability to provide these services at competitive rates.
- The ability to achieve superior investment returns for the portfolio.

VIII. REPORTS

The manager will file reports on a monthly basis with the Board and its consultant detailing the performance of the portfolio. The manager will also produce detailed investment commentary, performance and portfolio analysis on a quarterly basis. The manager will be expected to furnish other information on an as needed basis.

FEES

"Proposals for pricing" must be submitted separately from "proposals for services" as stated previously. Fee proposals should be based on initial assets of approximately \$15 million. Please note that Massachusetts State Law requires payment in arrears.

1. Name of Firm.
2. Name of Proposed Product.
3. Please list ALL of the investment vehicles that are available for the **PROPOSED PRODUCT** (e.g., mutual fund, commingled fund, or separately managed account). If any vehicles are currently closed, soft-closed, or in the process of closing to new investors, please list and indicate those as well.
4. Which vehicle are you proposing for this account?
5. Please list the minimum account size and supply the "complete" fee schedule for the proposed product/vehicle, to include any minimum fee or additional expenses.
6. Please list the minimum account size and supply the "complete" fee schedules for the other vehicles available for this product, to include any minimum fee or additional expenses.

MINIMUM CRITERIA RESPONSE SHEET

Bidders should meet all of the following minimum criteria. Failure to satisfy any of the minimum criteria may result in the disqualification of the bidder. Please acknowledge and certify that the following criteria are satisfied by initialing the "Yes" response.

1. The firm is a registered investment advisor pursuant to the Investment Advisors Act of 1940 or is exempt from registration (with the nature of the exemption provided):
Yes _____ No _____
2. The firm has experience managing investments for institutional, tax-exempt or state, municipal, or other governmental defined benefit plans:
Yes _____ No _____
3. The firm has been in operation for at least ten years as of December 31, 2022 as an investment management organization as determined by the firm's SEC 1940 registration:
Yes _____ No _____
4. The firm has current Massachusetts Public Fund clients:
Yes _____ No _____
5. The firm has at least \$3.0 billion of assets under management and at least \$1.0 billion in assets under management in the "Proposed Product":
Yes _____ No _____
6. The firm has at least 5 years of GIPS compliant investment performance in the "Proposed Product":
Yes _____ No _____
7. The majority of the portfolio managers for the "Proposed Product" have at least five years of experience managing the proposed product:
Yes _____ No _____
8. The "Proposed Product" provides hard currency exposure or a blend of hard and local currency:
Yes _____ No _____
9. The firm agrees to maintain an adequate errors and omissions insurance policy if selected:
Yes _____ No _____
10. The firm has completed the four required PERAC forms (See page 3 for instructions):
Yes _____ No _____

11. If selected, the firm is willing and able to include the mandatory contractual terms and conditions into the contract, as required under M.G.L. Ch. 32.

Yes _____ No _____

12. The firm has updated the Evestment Alliance database for the product and vehicles being submitted through 3/31/2023.

Yes _____ No _____

INVESTMENT ADVISOR QUESTIONNAIRE

EMERGING MARKETS DEBT

The following questionnaire requests information about your organization, employees, and the available investment vehicles for the strategy. Please provide complete responses reflective of the most recent available information.

I. Organizational Background

1. Firm Identification
 - a. Name of Firm
 - b. Type of Firm
 - c. Headquarters Address

2. Contact Identification
 - a. Name
 - b. Title
 - c. Telephone Number:
 - d. Email Address

3. History and Structure
 - a. Year founded
 - b. Please describe your organizational structure
 - c. Number of owners and distribution of ownership
 - d. Relationship of owners to firm
 - e. Please describe the history of your firm (including any prior working experiences the founders and/or key investment personnel may have had together).
 - f. Please explain any previous changes to your organizational structure and/or distribution of ownership.
 - g. Please describe any anticipated changes to your organizational structure and the reason(s) for those changes.
 - h. If your organization has multiple office locations, please describe the general role and functionality of those offices.
 - i. Please describe any major business affiliations and/or joint ventures that your organization participates in.

4. Has the firm, its parent organization, subsidiaries, affiliates or any key personnel been subject to any litigation or legal proceedings related to investment operations during the past five years? If yes, please explain.

5. Has the firm or any senior member of the firm been reported to or investigated by any regulatory authority within the past ten years? If yes, provide full, detailed explanation, including outcome, and a copy of regulatory body report.

6. Is the firm registered as an investment advisor with the SEC?

7. Please indicate the face amount of insurance that the firm carries with respect to each of the following:
 - i) Errors and omissions:
 - ii) Fiduciary liability:
 - iii) Fidelity bonding:
8. Is your firm related by ownership or formal business agreement to any provider of brokerage services or other related services? If so, please explain.
9. How does your firm address potential conflicts-of-interest between your firm's various businesses? Please identify any real or perceived conflicts between existing discretionary and personal investment activities.
10. Are any arrangements maintained whereby your firm or any individual within the firm pays referral fees, finders fees, soft dollars or other similar consideration or benefits to consultants, brokers or any other third party? If so, please explain.

II. Product Vehicles

1. If offered in a commingled vehicle, please provide a brief overview of the legal structure of the fund and liquidity provisions. Please specify if the fund is a private placement, trust, etc.
2. If the product is offered in a mutual fund vehicle (whether directly or subadvised), please list the name of the fund(s) and the ticker symbol(s). Please also briefly describe any differences in investment process, guidelines (i.e. sector, security constraints, cash reserves, etc.), or any other factors that are materially different from the separate account/commingled fund vehicle.
3. At what level of assets do you plan on closing this product? Please explain any differences in expected closing levels between the various vehicles available for this product.