

Dear Candidate Manager:

The Oklahoma Police Pension and Retirement System ("OPPRS") is conducting a search for a liquid absolute return fixed income manager. OPPRS is seeking a daily valued commingled fund for this mandate.

It is desirable, but not a minimum requirement, that the investment firm or its principals have \$1.5 billion in assets under management in a liquid absolute return fixed income strategy and the investment firm or its principals have a 5 year GIPS compliant track record through March 31, 2016. It is a requirement that the investment firm or its principals have a current Form ADV as filed with the Securities and Exchange Commission.

OPPRS is a \$2.1 billion governmental tax-exempt pension fund. The fund currently has a target allocation of 25% to fixed income, represented by multiple complementary strategies. It is expected that this assignment will initially be in the range of \$50 million - \$75 million.

Key elements of the mandate include:

- daily valued commingled fund
- LIBOR + return objective
- effective duration may range from negative to positive
- relative value strategies allowing for long/short bond and currency positions are permitted
- equity exposure limited to <10% of net assets at all times
- derivatives shall be permitted, although financial leverage may not be used

In order to monitor the timeliness of your response and maintain confidentiality, it will be necessary for you to respond as follows:

Please submit an electronic copy of your RFP response and all accompanying documents on a compact disc (CD) to the address listed below. The CD must be received no later than 4:00 p.m. CT on May 12, 2016. Proposals received after the specified date and time will be rejected. Envelope must be clearly marked "OPPRS Absolute Return Fixed Income Proposal" and include the vendor name, street address or P.O. Box, City, State and Zip Code.

OPPRS Absolute Return Fixed Income Proposal
c/o Finley & Cook, PLLC
1421 E. 45th Street
Shawnee, OK 74804
(405) 395-5000

Finley & Cook will provide a certified list of vendors who responded in a timely manner. This list will be used by OPPRS and Asset Consulting Group to evaluate your response.

In addition, please submit one (1) email copy of the RFP and all accompanying documents to ACGOpprsAbsoluteReturnSearch16@acgnet.com by 4:00 p.m. CT on May 12, 2016.

Please note that your RFP response must be received by Finley and Cook at the address above no later than 4:00 p.m. CT on May 12, 2016 for your proposal to be considered. An e-mail version alone is not sufficient.

Any questions regarding this assignment should be directed to Brad Davis at Asset Consulting Group at (314) 862-4848. We look forward to your submittals.

OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM

REQUEST FOR PROPOSALS ABSOLUTE RETURN FIXED INCOME

The Oklahoma Police Pension and Retirement System ("OPPRS" or "the System"), located in Oklahoma City, Oklahoma, is an agency of the State of Oklahoma which is governed by a Board of Trustees ("the Board"). The Board administers a cost sharing multiple-employer defined benefit pension plan for municipal police officers of 137 participating municipalities in Oklahoma, which shall be referred to in this Request for Proposal (RFP) as the OPPRS Plan. OPPRS is soliciting proposals from qualified firms to provide absolute return fixed income management services in accordance with the specifications, terms and conditions contained herein. OPPRS is a \$2.1 billion public tax-exempt fund. It is expected that this assignment will initially be in the range of \$50 million to \$75 million. This Request for Proposal establishes the specifications and requirements for submitting proposals, and provides information about the proposal evaluation process. The term "Vendor" as used in this RFP shall mean the company, firm, or person submitting a proposal for consideration.

OPPRS reserves the right without prejudice to reject any or all proposals submitted. There is no express or implied obligation for OPPRS to reimburse vendors for any expenses incurred in preparing proposals in response to this RFP. In the event that none of the proposals are satisfactory to OPPRS, no selection will be made. Proposals submitted in response to this RFP become the property of OPPRS and are subject to public inspection. OPPRS reserves the right to modify the RFP contents and requirements at any time prior to the submission deadline.

This RFP is comprised of eight (8) sections as follows:

- I. Proposal Cover Sheet (to be returned with Proposal)
- II. Mandatory Requirements for Submitting a Proposal
- III. Background
- IV. Timeline
- V. Communication with OPPRS
- VI. Proposal Preparation and Submission Requirements
- VII. General Terms and Conditions
- VIII. Questionnaire

This RFP can be found on the OPPRS website at www.opprs.ok.gov. If you are unable to download the document from the website, you can obtain an electronic copy of this RFP through e-mail by sending your request to: darci.gordon@opprs.ok.gov. All responses to this RFP must be submitted in accordance with the instructions contained in the RFP. Responses to this RFP via email only will **NOT** be considered.

Regardless of the manner in which the RFP document is received by the vendor, the contents of the RFP may not be altered in any way. The Vendor's Affidavit and all questions must be identically reproduced in the submitted proposal. Any alterations to the contents of the RFP document will be grounds for rejection from consideration or termination of a resulting contract. By submitting an RFP, it is agreed by the vendor that any misleading or false information given may be grounds for rejection from consideration, or termination of any resulting contract whenever and however discovered.

I. PROPOSAL COVER SHEET
 (Must be signed, notarized and returned.)

Proposal Name	Proposal Deadline
Absolute Return Fixed Income	Must be received by 4:00 p.m. CT May 12, 2016

Vendor Identification:

Name of Firm:	_____
Product name:	_____
FEI #:	_____
Address:	_____
City/State/Zip Code:	_____
Contact Name:	_____
Telephone Number:	_____
Facsimile Number:	_____
Contact E-mail:	_____

VENDOR'S AFFIDAVIT

STATE OF _____)
) SS:
 COUNTY OF _____)

_____ (Print Name), of lawful age, being first duly sworn, on oath says that:

1. (S)he is the duly authorized agent of _____, the vendor submitting this proposal which is attached to this statement for the purpose of certifying the facts pertaining to the existence of collusion among vendors and between vendors and state officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to the proposal to which this statement is attached;
2. (S)he is fully aware of the facts and circumstances surrounding the making and submitting of this proposal and has been personally and directly involved in the proceedings leading to the submission of such proposals; and
3. Neither the vendor nor anyone subject to the vendor's direction or control has been a party: a) to any collusion among vendors in restraint of freedom of competition by agreement to propose a fixed price or to refrain from submitting a proposal; b) to any collusion with any state official or employee as to quantity, quality or price in the prospective contract, or as to any other term of such prospective contract; nor, c) in any discussions between vendors and any state official concerning exchange of money or any other thing of value for special consideration in the award of this prospective contract; d) to paying, giving or donating or agreeing to pay, give or donate to any officer or employee of the State of Oklahoma, any money or other thing of value, either directly or indirectly, in procuring this prospective contract.
4. The information contained in this proposal is true, correct and accurate as presented.

 Name/Title

Subscribed and sworn to before me this _____ day of _____, 20 ____.

 Notary Public

(seal)

My commission expires: _____

Commission No.: _____

II. MANDATORY REQUIREMENTS FOR SUBMITTING A PROPOSAL

- A. Proposals must be received by the deadline at the following addresses:

OPPRS Absolute Return Fixed Income Proposal
c/o Finley & Cook, PLLC
1421 E. 45th Street
Shawnee, OK 74804
(405) 395-5000

- B. The deadline for receipt of complete proposals is **4:00 p.m. CT on May 12, 2016**. Proposals submitted to an incorrect address or location or received after this date and time will not be considered.
- C. The response must contain the Proposal Cover Sheet, fully completed, signed and notarized. Proposals should be formatted in compliance with Section VI, Proposal Preparation and Submission Requirements. The vendor shall submit one (1) copy of the RFP and all accompanying documents on a compact disk (CD). Vendor shall also submit one (1) email copy of the RFP and all accompanying documents to ACGOpprsAbsoluteReturnSearch16@acqnet.com by the due date and time. The Proposal Cover Sheet must be on the compact disk (CD) and must be submitted in a sealed envelope. The envelope must be clearly marked "OPPRS Absolute Return Fixed Income Proposal" and include the vendor name, street address or P.O. Box, City, State and Zip Code in order that the receiving agent can see and identify it without opening the package and provide a certified list of vendor's who responded in a timely manner without opening the package.
- D. The vendor shall be responsible for actual delivery of the proposal to the proper address before the deadline regardless of the delivery method used. All proposals become the property of OPPRS.
- E. All proposals are considered to be public record after they are opened and initially processed, and shall be available for viewing and reproduction by any person.
- F. In submitting this proposal, the vendor must agree to an audit which provides that books, records, documents, accounting procedures, practices or any other items of the service provider relevant to the proposal are subject to examination by OPPRS and the Oklahoma State Auditor and Inspector.
- G. It is the responsibility of the vendor to ensure compliance with all requirements and deadlines. Proposals which are not in compliance with each and every requirement contained in this RFP may be rejected.
- H. All costs associated with your response to this RFP will be the responsibility of the vendor. Vendors may be asked to make a presentation before the Board if selected as a finalist. Costs associated with this presentation will not be reimbursed by OPPRS.
- I. The selection of investment managers for the state retirement systems is specifically exempt from the competitive bidding procedures established by Oklahoma Statutes (see 74 Oklahoma Statutes § 85.7). OPPRS reserves the right to request additional information from any vendor and to accept or reject any proposal without specifying the reason for its actions. The Board reserves the right to request additional proposals. Further, the Board specifically reserves the right to renegotiate for lower fees at any time with any vendor.
- J. The Board also reserves the right to award all, part, or none of this contract. The Board reserves the right to award contracts to more than one vendor if deemed appropriate and desirable.
- K. The vendor shall be bound by the information and representations contained in any proposal submitted. Said proposal is deemed to be a binding offer on the part of the vendor. Vendor agrees that Oklahoma law will govern.
- L. Submission of a proposal in response to this RFP evidences the vendor's acceptance of the terms and conditions within the RFP.

- M. The vendor shall respond fully and completely to all requested information contained in this RFP in good faith and to the best of its abilities.
- N. The vendor must fully disclose any proposed subcontracting of any of the required services.
- O. All vendors must agree that any resulting contract and services will be subject to and interpreted by Oklahoma law, and agree that this RFP and the vendor's response will be incorporated by reference to any resulting absolute return fixed income management agreement.

III. BACKGROUND

A. Legal Authorization

The Board is charged with the administration and investment of retirement funds for municipal police officers. The Board is authorized to select qualified investment managers pursuant to 11 Oklahoma Statutes § 50-105.4.

B. Board Composition

The System is administered by a Board of Trustees which is composed of 13 members.

C. Support Services

The System currently has 11 employees, and has an authorized staff of 12 employees. The Executive Director is the Chief Investment Officer of the System.

D. The OPPRS Plan

The OPPRS Plan is a qualified governmental defined benefit plan established under I.R.C. Section 401(a) and 11 Oklahoma Statutes §§ 50-101 et seq.

IV. TIMELINE

The following timeline is an estimate and may be adjusted at OPPRS' discretion any time during this procurement process.

TASK	DATE
Distribution of RFP/Posting of RFP on OPPRS Website	April 21, 2016
Proposals due (no later than 4:00 p.m. Central Time)	May 12, 2016
Finalist presentations	August 17, 2016
Award business (date contingent upon final negotiations)	August 17, 2016
Estimated contract start date	October 1, 2016

All proposals submitted in response to this RFP must be delivered to Finley & Cook, PLLC, OPPRS' external auditor, no later than **4:00 p.m.** Central Time on **May 12, 2016**.

V. COMMUNICATION WITH OPPRS

Direct contact between prospective service providers and OPPRS Board members during this RFP process is prohibited. Violation of this provision of the RFP may result in rejection of a bidder's proposal.

VI. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

Proposals submitted in response to this RFP should be prepared simply and economically, avoiding the use of elaborate promotional materials beyond those sufficient to provide a complete, accurate and reliable response. OPPRS assumes no financial responsibility for any costs incurred in responding to this RFP. All materials submitted in response to this RFP become the property of OPPRS and are subject to public inspection.

A. Proposal Packages

Envelope must be clearly marked "OPPRS Absolute Return Fixed Income Proposal" and include the vendor name, street address or P.O. Box, City, State and Zip Code.

B. Proposal Preparation

Proposals should provide a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

Proposals should be organized in the order listed and all pages of the proposal should be consecutively numbered. All documentation submitted with the proposal should be contained in that single volume.

Ownership of all data, materials and documentation originated and prepared for OPPRS pursuant to the RFP shall belong exclusively to OPPRS and be subject to public inspection in accordance with the Oklahoma Open Records Act, 51 Oklahoma Statutes §§24A.1 et seq.

C. Proposal Contents

Proposals submitted in response to this RFP must include, at a minimum, the information and documents outlined below.

1. Signed Proposal Cover Sheet (see Section I).

The signed and notarized proposal cover sheet must be submitted on the compact disk.

2. Response to RFP Questionnaire

It is important that each question be completed as instructed. Any alternative or creative responses may be attached separately, but may not be used in lieu of answering or completing any questions. Failure to complete this questionnaire in the format provided may result in rejection of the proposal. Proposals containing false or misleading information may be rejected.

3. Fee Proposal

The Vendor's fee proposal must include the total fee.

4. Proposal Submission

The Proposal Cover Sheet must be on a compact disk (CD) and submitted in a sealed envelope. The envelope must be clearly marked "OPPRS Absolute Return Fixed Income Proposal" and include the vendor name, street address or P.O. Box, City, State and Zip Code in order that the receiving agent can see and identify it without opening the package and provide a certified list of vendor's who responded in a timely manner without opening the package.

The vendor shall submit one (1) copy of the RFP and all accompanying documents on a compact disk (CD) to:

OPPRS Absolute Return Fixed Income Proposal
c/o Finley & Cook, PLLC
1421 E. 45th Street
Shawnee, OK 74804
(405) 395-5000

Vendor shall also submit one (1) email copy of the RFP and all accompanying documents to ACGOpprsAbsoluteReturnSearch16@acgnet.com by May 12, 2016.

VII. GENERAL TERMS AND CONDITIONS

A. Applicable Laws and Courts

This solicitation and any resulting contract shall be governed in all respects by the laws of the State of Oklahoma, and any litigation with respect thereto shall be brought in the District Court of Oklahoma County, Oklahoma. The vendor shall comply with all applicable federal, state and local laws, rules and regulations.

B. Ethics in Public Contracting

By submitting their bids or proposals, vendors certify that their bids/proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other vendor, supplier, manufacturer or subcontractor in connection with their bid/proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of value, in exchange for procuring this contract.

C. Qualifications of Vendors

OPPRS may make such reasonable investigations as deemed proper and necessary to determine the ability of the vendor to perform the services and the vendor shall furnish to OPPRS all such information and data for this purpose as may be requested. OPPRS reserves the right to inspect the vendor's physical facilities prior to award to satisfy questions regarding the vendor's capabilities. OPPRS further reserves the right to reject any proposal if the evidence submitted by, or investigations of such vendor show that the vendor is not properly qualified to carry out the obligations of the contract and to provide the services contemplated therein.

D. Business Continuity

The vendor must indicate any recent or anticipated changes in its corporate structure such as mergers, acquisitions, new venture capital, stock issue, etc. The vendor agrees to present to OPPRS a business continuation plan for this program in the event of natural or other disaster.

E. Assignment of Contract

A contract shall not be assignable by the vendor in whole or in part without the written consent of OPPRS.

F. Period of Contract

It is anticipated that the initial contract shall be for a 9 month period commencing on approximately October 1, 2016 through June 30, 2017. Thereafter, the contract may be renewed by the Board annually. The Board reserves the right to terminate the contract upon 30 days notice, with or without cause.

The process of evaluating the proposals and conducting any subsequent interviews may extend 2 to 3 months following the proposal deadline, and possibly into the anticipated contract period. All vendors who have submitted a proposal will be notified of the Board's decision in writing after the final selection has been made. This notice of final selection may be the only communication between OPPRS and the vendors.

G. Limitation of Liability, Hold Harmless Clauses & Indemnity

The State of Oklahoma and its agencies are constitutionally barred from limiting the liability of a private vendor. Agencies are similarly prohibited from holding a private entity harmless from liability or providing indemnity to a private entity. The contract between the successful vendor and OPPRS will not have any such terms.

VIII. QUESTIONNAIRE

**Strategy Questionnaire
Liquid Absolute Return Fixed Income Manager**

Company Name: _____

Product Name: _____

Contact: _____

Telephone: _____

Fax: _____

E-mail Address: _____

Please answer all the questions below. IN ADDITION - PLEASE COMPLETE EACH TAB IN THE EXCEL SPREADSHEET.

Organization & Investment Experience

1. Please provide a brief history of your organization. Include the month and year the firm began managing liquid absolute return bond portfolios.
2. Describe any changes in the structure of the firm over the past 5 years.
 - a. Are there any structural changes contemplated?
 - b. Briefly outline your business plans including succession plans.
 - c. Please identify any ownership stakes in excess of 5%.
3. How many offices does your firm have where investment decisions are made and where are they located? In which office are investment decisions for this product made? Please indicate the purpose of each office and include the number of investment professionals in each office.
4. Please provide a recent marketing presentation which includes firm and strategy information. If an organizational chart with named personnel is not included in the presentation, please provide it separately.
5. Please list the total employee count and investment professional count as of December 31, 2015 and for the past 5 years.
6. How are portfolio managers and analysts compensated? What steps are taken to ensure retention of individuals?
7. Do team members have personal assets invested in the strategy? Please elaborate and include percent of fund assets and type of vehicle.
8. Please list all individuals responsible for the investment management process (include portfolio managers, analysts, etc.) for this product only. Also include a brief biography for the portfolio managers in the appendix.

Name & Designation	Title	Start Date with Company (MM/YY)	Years in Position	Years in Industry

9. What has been your professional turnover rate in the last 5 years? Please list all key personnel that have left and their responsibilities.

Name/Title	Responsibilities	Start Date with Company (MM/YY)	Years in Most Recent Position	Company Departure Date (MM/YY)

10. How many employees do you have dedicated solely to each of these areas that contribute to the management of this product (please exclude individuals that do not contribute to this product)? If an employee has dual responsibilities, please list the employee and note the breakdown of responsibilities below the following table.

Function	# of Employees Dedicated Solely to Function
Credit Analysis	
Portfolio Management	
Trading	
Risk/Quantitative Analysis	

11. Who would be the portfolio manager(s) for this product? Please provide information on their background, years with your organization, number and size of portfolios he/she currently manages, and responsibilities other than portfolio management.
12. Describe your training procedures for portfolio managers, traders and research analysts. What sort of ongoing education programs do you encourage?
13. What are the size, scope and capabilities of your trading department? How many people are dedicated solely to trading in this proposed style?
14. Please provide a breakdown of the firm's total assets by asset type (fixed income, equity, alternatives, etc.) as of December 31, 2015. What percentage of the firm's total assets is managed in liquid absolute return bond strategies?
15. Please provide the number of accounts and total assets managed for each liquid absolute return bond strategy managed by your firm. Please provide information on *this product first*. Among your assets in this product, how many dollars are managed within each vehicle (*separate and commingled*)? List your e largest accounts and their asset value as of December 31, 2015. Also, please indicate total fixed income assets under management.

	Number of Accounts	Total Assets	Separate	Commingled	Mutual Fund
2015					
2014					
2013					
2012					
2011					

16. Please provide your accounts lost and gained for this product for the specified years below.

	Number of Accounts Gained	Total Assets Gained	Number of Accounts Lost	Total Assets Lost
2015				
2014				
2013				
2012				
2011				

17. Please disclose your pricing process and resources utilized.

18. Please include a sample client report in the appendix.

- a. Do you provide the report monthly or quarterly?
- b. Do your reports include asset lists with quality ratings?
- c. How soon after the period are the reports delivered?

19. Provide a sample of the firm's most recent reports on economic indicators, market conditions, investment analysis/strategy and or other newsletters or reports in the appendix.

20. Describe the clients in this strategy as of December 31, 2015. Please provide a breakdown by client geography and taxable/tax-exempt status.

21. Indicate the percentage of accounts and total assets by the following type of investors:

Client Type	% of Accounts	Assets (in Millions)
State & Local Gov't (Operating Reserves)		
Corporate Treasury Assets		
Public Fund (Pension)		
Endowments/Foundations		
High Net Worth Individuals		
Other (Please describe)		

22. With what frequency do you typically review portfolio information with your clients?

Regulatory/Compliance

1. Is the firm registered with any regulatory agency, such as the SEC, CFTC, or any state agencies?

- a. Provide a copy of the most recent disclosure statement (e.g. ADV Parts I & II) required by any regulatory agency (or agencies) with which the firm is registered, such as the SEC, CFTC, or state agencies.
- b. Please explain any regulatory issue, investigation, prosecution, sanction, discipline, subpoena, indictment or similar matter the firm or its principals had during the last 10 years.
- c. State whether, during the last 10 years, any regulatory agency has conducted an audit or review of the firm.
- d. If such an audit or review was conducted, discuss any significant findings by the regulator.

- e. Provide a copy of any deficiency letter or similar letter or report regarding such a regulatory audit or review in the appendix.
 - f. Provide a description of any material litigation involving the firm or any of its principals during the last 10 years, including the nature of the litigation, the parties, the court, case number and the current status.
2. Is your firm or any subsidiary, affiliate or related entity of your firm the subject of an investigation being conducted by the SEC, or are you in receipt of a subpoena from the Attorney General of any State?
 3. Please describe the levels of coverage for SEC-required fidelity bonds, errors and omissions insurance, and any other fiduciary liability coverage your firm carries.
 4. Does your firm manage or act as a sub-adviser for any mutual funds?
 5. Describe in detail, your firm's mutual fund trading policies as they relate to late trading and market timing for any fund your firm sub-advises, specifically addressing those policies intended to prevent illegal or improper trading activity?
 6. What is your firm's policy on personal trading as it relates to shares of any fund for which your firm serves as sub-adviser?
 7. Has your firm conducted an internal investigation of its employees trading activities?
 8. Has the firm adopted a disaster recovery plan, formal compliance policy and a code of ethics for employees? If yes, please provide a copy of such policies in the appendix.
 9. Please provide a copy of the valuation policy for the strategy in the appendix.
 10. Describe your firm's policies addressing counterparty risk, securities held by prime brokers and how foreign securities are held.
 11. Does your firm have any soft-dollar arrangements related to the trading desk or trading activity? If so, please disclose the nature of such arrangements and your firm's procedures and guidelines regarding such arrangements.
 12. If a purchased security is ideal for more than one client's account, how is the security allocated across multiple client portfolios? Are certain portfolios given priority, and how is priority determined?
 13. Does this strategy's commingled or mutual fund(s) participate in securities lending? If so, please describe any securities lending issues that may have impacted any of this strategy's vehicles (liquidity constraints, performance issues, etc.) over the past 3 years. Also, please explain any changes made to your securities lending policies over the past 3 years.
 14. List service providers and any changes to service providers since inception.
 15. What software systems are used for front office and back office operations?
 16. Please describe any instances of client redemption requests not being met in the manner and timeliness expected by clients (delays, suspension of redemptions, side pocketing, restructuring).
 17. Please provide the client name, account type, contact name, address and phone number of 3 public pension accounts that have invested and 3 accounts that have terminated their liquid absolute return bond investment over the past 3 years.

Investment Philosophy & Process

1. Briefly describe your proposed style or philosophy for your liquid absolute return fixed income product.
2. What competitive advantages does your firm possess as it relates to this mandate?
3. What strategies would you consider employing or prefer to employ to generate positive nominal returns?
4. Describe specifically what assets you invest in and your strengths with regard to each. Please discuss current limits and guidelines for the mix of assets permitted in the strategy (including sector, region and country if applicable). Also, what changes to these stipulations have occurred over the past 5 years? Please provide sample guidelines if available in the appendix.
5. Please provide a percentage breakdown of the portfolio by sector and region on a quarterly basis since inception (if data since inception is not readily available, please provide 10 years of history). Please use the breakdowns on tab 2 of the Microsoft Excel file that was provided to you as a guide. Also provide a quarterly country and currency breakdown similar to tab 3 of the Microsoft Excel file.
6. Please provide a percentage breakdown of the portfolio and benchmark by quality on a quarterly basis since inception (if data since inception is not readily available, please provide 10 years of history). Please also provide the current max permissible allocations.

	Portfolio	Benchmark	Max Allocations
AAA			
AA			
A			
BBB			
BB			
B			
CCC			
CC			
C			
D			
Non-rated			
Cash			
Total			
Average Quality			

7. Please provide the historical effective duration of your product and relevant primary benchmark on a quarterly basis since inception (if data since inception is not readily available, please provide 10 years of history). Please also provide the current min/max duration guidelines.
8. How many staff members do you have dedicated solely to credit evaluation? (Please include their names and attach biographies in the appendix). What process occurs before a new credit can be added to the portfolio?
9. Please describe your short-term investment decision-making process, specifically the general sell discipline.

10. How are overall portfolio risks and exposures identified and tracked?
 - a. What is the largest sector concentration allowed, and what is the maximum allowable percentage concentration in any one issue or issuer?
 - b. How many total bonds are typically within the portfolio, and specifically, how many corporate bonds are typically within the portfolio?
11. What is your targeted performance/volatility goal for this strategy? Please provide quantitative metrics. Describe any environments in which your strategy's performance can be expected to deviate from this goal (underperform/outperform). Are there specific procedures in place to de-risk if volatility spikes?
12. Is your overall process more qualitative or quantitative? Is the process more top-down or bottom-up? If a combination, please provide percentages.
13. Discuss quantitative analysis as it relates to your investment process? What tools and systems are utilized for quantitative analysis?
14. What is the average number of securities held in each portfolio of this strategy? Provide a holdings list (CUSIP, Security name, country, original cost, coupon, maturity, market value, weight) as of December 31, 2015.
15. What is the typical turnover (%) for this strategy? Include the annual % portfolio turnover for the past 10 years.
16. Describe how your style seeks to create positive nominal returns. In particular, address the relative importance of each of the following:
 - a. Yield curve management
 - b. Duration management (include range limits)
 - c. Credit quality positions
 - d. Individual issue selection
 - e. Sector rotation
 - f. Other sources of added value. Please specify and describe.
17. Please provide an annual performance attribution since inception for the following (should total 100%). If additional, more-detailed attribution data is available, please provide it in addition to the standard breakdown below.

	Percent (%)
Yield Curve	
Duration	
Credit Quality	
Security Selection	
Sector Rotation	
Other (please describe)	
Total	100%

18. To what extent and how are derivative instruments utilized within this strategy? Please explain why and when such exposures would be desirable.

19. What experience does your firm have investing in preferred stocks as a substitute/complement to a liquid absolute return fixed income portfolio? Please also provide historic preferred stock performance from client portfolios where/if applicable.
20. Do you advocate the use of Yankee Bonds as a component within a liquid absolute return fixed income portfolio? Under what circumstances and to what limits? Please provide historic Yankee Bond performance from client portfolios where/if applicable.
21. What experience does your firm have managing 144a private placements? Please describe how you would propose to integrate these holdings into a portfolio with a liquid absolute return fixed income emphasis and what would you advocate as appropriate exposure limits to 144a securities. Please also provide historic performance from client portfolios where/if applicable.
22. What experience does your firm have managing emerging market debt portfolios? Also discuss hard currency and local currency strategies? Please describe how you would propose to integrate these strategies into a portfolio with a liquid absolute return fixed income emphasis and what would you advocate as appropriate exposure limits to emerging market debt securities. Please also provide historic performance from client portfolios where/if applicable.
23. What experience does your firm have investing in below investment grade rated bonds, as a liquid absolute return fixed income enhancement? Please also provide historic performance for issues purchased with (exclusively) below investment grade ratings, from client portfolios where/if applicable.
24. How does your strategy employ tail-risk hedging to control for portfolio risk? Is hedging a permanent feature or something that's used in a more tactical fashion?

Performance

1. Acknowledging that liquid absolute return bond strategies are generally benchmark agnostic, what are the primary and secondary benchmarks that would be most appropriate for your process? Please explain the rationale for the selection of these specified benchmarks?
2. What is the inception date of this liquid absolute return fixed income strategy?
3. What is the expected return and volatility for each of your liquid absolute return bond strategies and specifically this product? Please include quantitative responses that include time frames.
4. Please provide your monthly, quarterly, and annual composite, commingled, mutual fund and benchmark returns (gross and net of fees for vehicles) back to the inception of this product, including the most recent quarter-end. Please also include the number of accounts and the percentage of assets within the composite on a quarterly basis. Explain any meaningful difference in performance between vehicles.
5. Please provide 1-year, 3-years, 5-years, and since inception annualized, gross of fees returns as of December 31, 2015 for the above product(s) and the applicable benchmark(s).

Annualized Returns	1-Year	3-Years	5-Years	7-Years	10-Years	Since Inception
Product						
Benchmark						
Benchmark						

6. Has the composite or another similar vehicle (mutual fund or commingled fund) been audited by a public accounting firm?
7. Does your composite contain back-tested or simulated returns? If yes, please explain the reason and the method used to produce back-tested or simulated returns.
8. Is the firm GIPS compliant? If so, please provide GIPS-compliant performance back to the point at which compliance began. If not, please explain.

9. Do you utilize any internal or third-party performance attribution software/system? If yes, please provide a list of the systems used and their purposes and an example of an attribution analysis your firm completed for the most recent quarter end.
10. Please provide dispersion information as of the latest quarter. Sample format shown below.

	\$ Median Acct. Size (000's)	\$ Size of Largest Portfolio (000's)	\$ Size of Smallest Portfolio (000's)	Highest Return	Lowest Return
Period					

Fees

1. In the table below, please list the type of separate account and commingled products you have available for this product? (Please footnote any restrictions that may apply):

Name & Type of Vehicle	Minimum Size (000's)	Number of Accounts	Total Assets In Vehicle (000's)	Domicile	Open to U.S. Investors?

2. Provide a fee schedule for the vehicles above. Indicate whether you have a performance based fee mechanism. To what degree are fees negotiable?
3. What is your fee proposal for this mandate?