



**RETIREMENT SYSTEM INVESTMENT COMMISSION**  
1201 MAIN STREET, SUITE 1510, COLUMBIA, SC 29201

***General Investment Consulting Services***

**Request for Proposals**

**January 3, 2022**

**South Carolina Retirement System Investment Commission**  
***General Investment Consulting Services RFP***

**Request for Proposals (“RFP”)**

**OPENING DATE: January 3, 2022**

**CLOSING DATE AND TIME: February 8, 2022, 5:00 pm EST**

The South Carolina Retirement System Investment Commission (“RSIC”, or “Client”) is requesting competitive proposals (“Proposal” or “Proposals”) in response to this RFP in sufficient detail to permit objective evaluation of all Proposals from qualified firms, which may result in a contract for investment consulting services for the \$39 billion portfolio of the South Carolina Retirement Systems Group Trust (the “Retirement System”).

This RFP for general investment consulting services is being offered by RSIC and is exempt from the South Carolina Procurement Code by action of the South Carolina Budget & Control Board on February 14, 2002, pursuant to S.C. Code Ann. Section 11-35-710. RSIC will make the final determination as to the successful offeror/consultant (“Offeror” or “Offerors”).

This RFP does not commit RSIC to award a contract, to pay any costs incurred in the preparation of a Proposal, or to procure or contract for the articles of goods or services. RSIC reserves the right to accept or reject any or all Proposals received as a result of this request, to negotiate with all qualified Offerors, or to cancel in part or in its entirety this RFP, if it is in the best interests of RSIC or the Retirement System to do so. If your firm does not meet all of the minimum requirements as set forth in this RFP, please do not submit a Proposal.

Women and minority-owned firms are encouraged to respond.

**General Process and Timeline.**

In order for your Proposal to be considered, it must be submitted to RSIC in accordance with the requirements of this RFP.

A non-binding Notice of Intent to Respond must be received by **5:00 p.m. EST** on January 17, 2022. Please submit your intent by emailing Robert Feinstein (the “Contact”) at [rfeinstein@rsic.sc.gov](mailto:rfeinstein@rsic.sc.gov) with “General Investment Consulting Services RFP Intent to Respond” in the subject line. Please see **Section IV, 4.1.2 Notice of Intent to Respond**, for information that must be included in the email.

Written questions concerning this RFP may be submitted until **5:00 p.m. EST** on January 24, 2022, and must be emailed to Mr. Feinstein at [rfeinstein@rsic.sc.gov](mailto:rfeinstein@rsic.sc.gov) with “General Investment Consulting Services RFP Questions” indicated in the subject line. Questions submitted and responses to each will be distributed to those who submitted a Notice of Intent to Respond.

Proposals, one (1) original and 3 copies, must be submitted to the Contact no later than **5:00 p.m. EST** on February 8, 2022. In addition, an electronic copy of your Proposal response, including company and promotional materials, must be provided in a PDF on a flash drive. Please see **Section IV, 4.3.0 Submission of Proposal**, for detailed information relating to submitting Proposals.

The Proposal must be signed by an official authorized to bind Offeror, and it must contain a statement to the effect that the Proposal is firm for a period at least until June 30, 2022.

Mail or Deliver Proposals to:

Robert Feinstein  
Managing Director  
South Carolina Retirement System Investment Commission  
1201 Main Street, Suite 1510  
Columbia, South Carolina 29201  
Telephone: 803-737-6809

**South Carolina Retirement System Investment Commission**  
*General Investment Consulting Services RFP*

**Timeline.**

Opening Date of RFP	January 3, 2022
Deadline for Written Notice of Intent to Respond	January 17, 2022 – 5:00 p.m. EST
Deadline for Written Questions Submission	January 24, 2022 – 5:00 p.m. EST
Responses to Written Questions Distributed on RSIC’s Website	January 31, 2022 – 5:00 p.m. EST
<b>Deadline for Proposal Submission</b>	<b>February 8, 2022 – 5:00 p.m. EST</b>
Preliminary Evaluations Begin	February 2022
Due Diligence Meetings	March – April 2022
Finalist Presentations	April 21, 2022 / Columbia, SC
Selection of Successful Offeror	April 21, 2022
Completion of Negotiation of Legal Documents between RSIC and the Successful Offeror	April – May, 2022
Anticipated Contract Start Date	June 1, 2022

RSIC will use its best efforts to adhere to the time schedule specified above. However, RSIC reserves the right to amend the time schedule as it deems necessary.

We appreciate the time and effort required to respond to this RFP. Each firm submitting a Proposal can be assured that the same time and effort will be expended in evaluating the Proposals that are submitted for consideration. We look forward to your response.

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# South Carolina Retirement System Investment Commission

## *General Investment Consulting Services RFP*

### **I. SCOPE OF PROPOSAL**

The South Carolina Retirement System Investment Commission<sup>1</sup> is soliciting proposals from qualified investment consulting firms with substantial experience advising institutional investors to provide strategic asset allocation, investment policy review, research, and other consulting and advisory services to the South Carolina Retirement System Portfolio (“Portfolio”), which is invested throughout many asset classes and diversified strategies. More detailed descriptions of these services are set forth in Section III.

**This is not a full retainer general consulting mandate.** RSIC has retained Albourne Partners, which works as an extension of RSIC Staff as a specialty consultant for the Retirement System’s alternative investments, including private equity, private debt, real assets, and portable alpha hedge funds. The selected consultant will report to the Commission and will be expected to work with other RSIC consultants and its master custodial bank (currently, The Bank of New York Mellon (“BNY”)), in order to provide timely and thorough services to the Commission with regard to the Portfolio as a whole.

Offerors that meet the minimum requirements outlined in Section 3.2.0 and would like to provide the requested consulting services, as more fully described in Section III, may submit proposals for consideration. The Commission will select the most qualified firm based on the response to this RFP, meetings at consultants’ offices, and presentations by the top candidates to the Commission.

All Proposals must be complete and carefully worded and must convey **all** of the information requested in order to be considered responsive. If a Proposal fails to conform to the essential requirements of the RFP or any deadlines are not met, only the Contact will be the judge as to whether that variance is significant enough to consider the RFP nonresponsive or non-qualified and therefore not considered for award.

The resulting contract from this RFP, if any, will be between the selected consultant and RSIC.

### **II. INTRODUCTION**

#### **2.1.0 Background Information.**

The Commission is responsible for investing and managing all assets held in the South Carolina Retirement Systems Group Trust (the “Trust”) on behalf of the participants and beneficiaries of South Carolina’s five (5) governmental defined benefit plans: South Carolina Retirement System, South Carolina Police Officers Retirement System, Retirement System for Judges and Solicitors of the State of South Carolina, Retirement System for Members of the General Assembly of the State of South Carolina, and the National Guard Retirement System, which are collectively referred to hereinafter as the “Retirement System.”

RSIC is governed by an eight-member Commission, which is comprised of two members appointed by the Governor and one each by the Treasurer, Chair of the House Ways and Means Committee, Chair of the Senate Finance Committee, and the Comptroller General, a retiree representative elected by the Commission members, and a non-voting *ex officio* member, the Executive Director of the South Carolina Public Employee Benefit Authority.

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<sup>1</sup> “Commission” refers to the commission of eight members responsible for managing the South Carolina Retirement System Investment Commission, as specified in S.C. Code of Laws Ann. Section 9-16-315.

“South Carolina Retirement System Investment Commission” or “RSIC” refers to the agency established by South Carolina law for the purpose of investing and managing all assets held in the South Carolina Retirement Systems Group Trust .

# **South Carolina Retirement System Investment Commission**

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The current members of the Commission are: William (Bill) Hancock, CPA, Chair; Ron Wilder, Ph.D, Vice Chair; Rebecca Gunnlaugsson, Ph.D; Melissa (Missy) Schumpert, CPA; Reynolds Williams, JD, CFP; Peggy Boykin, CPA; William (Bill) Condon, Jr., JD, MA, CPA, and Edward Giobbe, MBA.

The Retirement System had assets of approximately \$39.7 billion as of September 30, 2021.

RSIC's investment objective is set forth in Section I.B. of the Consolidated Statement of Investment Policies and Annual Investment Plan ("SIOP/AIP"), a copy of which may be accessed at [https://www.rsic.sc.gov/\\_documents/2021.07.01-aip-siop.pdf](https://www.rsic.sc.gov/_documents/2021.07.01-aip-siop.pdf).

RSIC's existing asset allocation is described in detail in Section III of the SIOP/AIP. RSIC manages a complex and diversified Portfolio that includes traditional as well as alternative asset classes. Alternative asset classes used include private equity, private debt, private real estate, private infrastructure, and hedge funds. RSIC gains access to these asset classes through an array of structures, including closed end funds, open end funds, SMAs, and several strategic partnerships.

### **2.2.0 Additional Background Information.**

The following documents provide additional background information:

- a) *Comprehensive Annual Financial Report (CAFR)* for the year ended June 30, 2021, [https://www.peba.sc.gov/sites/default/files/cafr\\_2021.pdf](https://www.peba.sc.gov/sites/default/files/cafr_2021.pdf)
- b) *Popular Annual Financial Report (PAFR)* for the year ended June 30, 2020, [https://www.peba.sc.gov/sites/default/files/pafr\\_2020.pdf](https://www.peba.sc.gov/sites/default/files/pafr_2020.pdf)
- c) South Carolina Public Employee Benefit Authority, <http://www.peba.sc.gov>
- d) South Carolina Retirement System Investment Commission, <https://www.rsic.sc.gov/>
- e) SIOP/AIP, [https://www.rsic.sc.gov/\\_documents/2021.07.01-aip-siop.pdf](https://www.rsic.sc.gov/_documents/2021.07.01-aip-siop.pdf)
- f) South Carolina Retirement System Investment Commission Annual Investment Reports, <https://www.rsic.sc.gov/what-we-do/investment-reports.html>
- g) S.C. Const., Art. X, Sections 11 and 16; <http://www.scstatehouse.gov/scconstitution/A10.pdf>.
- h) S.C. Code Ann. Section 9-1-1310, as amended, <http://www.scstatehouse.gov/code/t09c001.php>.
- i) S.C. Code Ann. Sections 9-16-10 *et seq.* <http://www.scstatehouse.gov/code/t09c016.php>.
- j) S.C. Code Ann. Sections 8-13-100 *et seq.* <http://www.scstatehouse.gov/code/t08c013.php>.
- k) List of current investment funds/investment managers – See CAFR for FYE June 30, 2021.

## **III. SCOPE OF SERVICES, DELIVERABLES, AND MINIMUM QUALIFICATIONS**

### **3.1.0 Scope of Services and Key Deliverables.**

The scope of services ("Scope of Services") for the selected Consultant ("Consultant") includes the following consulting services as related to the development and oversight of the Portfolio:

#### **3.1.1 Asset Allocation and Asset Liability Modeling.**

Consultant will support the Commission by providing asset allocation and asset liability modeling for the Portfolio, including, but not limited to, the following:

- a) Assist in establishing the strategic asset allocation for the Commission, including investment objectives and risk parameters for the Portfolio, every five years or if requested by the Commission or the Contract Monitor in response to a material change in the investment environment, legislation, or actuarial inputs affecting the Portfolio, and recommend changes, if appropriate;
- b) Conduct a comprehensive asset-liability analysis for the purpose of assessing the impact on



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the Portfolio's asset allocation and risk management decisions every five years, or if requested by the Commission or the Contract Monitor in response to a material change in the investment environment, legislation, or actuarial inputs affecting the Portfolio;

- c) Using the most up-to-date capital market return estimates, analyze and quantify the risk/return parameters for the Portfolio (including the Reference and Policy Benchmark Portfolios) and estimate the long-term impact of RSIC's portfolio structure at least annually; and
- d) Review and ratify benchmarks used to monitor performance, as requested by the Contract Monitor or the Commission.

#### **3.1.2 Performance Reporting; Review and Evaluation of the Portfolio.**

Consultant will prepare comprehensive quarterly reports of the investment performance of the total Portfolio by asset class and total fund, including benchmark and peer universe comparisons. The Consultant will also produce a separate Executive Summary Report to accompany the comprehensive report. The Consultant must be able to maintain a satisfactory electronic interface with RSIC's master custodial bank through an online connection at the firm's expense.

#### **3.1.3 Annual Portfolio Review.**

Consultant will annually provide a comprehensive review of the Portfolio, including, but not limited to, quantitative factors, such performance in relation to relevant benchmarks, peers, applicable risk metrics, and qualitative factors, such as strength and effectiveness of implementation strategy.

#### **3.1.4 Policy Review.**

Within the first year and, thereafter, if requested by the Commission or the Contract Monitor, the Consultant will review RSIC's investment policies and provide advice based on current investment management practice and theory.

#### **3.1.5 Letter for inclusion in CAFR and Annual Investment Report.**

Consultant will annually provide a letter to PEBA for inclusion in the investment section of its CAFR and to the Commission for inclusion in its Annual Investment Report.

#### **3.1.6 Best Practices Advisory Services.**

Consultant will provide advisory services relating to the following:

- a) Best practices in governance - as requested by the Contract Monitor or the Commission, the Consultant will provide information regarding best practices in governance and fiduciary oversight.
- b) Best practices in risk reporting and management - as requested by the Contract Monitor, the Consultant will provide advice on best practices with regard to risk reporting and management.

#### **3.1.7 Other Required Services.**

Consultant will provide ad hoc research and miscellaneous services, including, but not limited to, the following:

- a) Ongoing advice and counsel to the Commission;
- b) Access to all off-the-shelf research and educational topics;
- c) Special projects at the Commission's request; and
- d) New technologies – as requested by the Commission or the Contract Monitor, recommend new technologies that might benefit RSIC Staff's management of the Portfolio.

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3.1.8 General Provisions Relating to the Scope of Services.

- a) Consultant will attend all investment-related Commission meetings. Meetings generally occur in March, April, June, September, and December of each year on the dates indicated in the Commission’s Strategic Calendar (See **Attachment B**). Upon reasonable request, Consultant is also expected to attend, either in person or via teleconference, investment-related ad hoc or special meetings that may occur throughout the year. All meetings will take place in South Carolina. The Commission’s offices are located in Columbia, South Carolina.
- b) Consultant may, from time to time, be asked to participate in meetings with the legislative committees that oversee the Commission and the Retirement System, the co-trustees of the Retirement System, or other stakeholder groups. All meetings will take place in South Carolina.
- c) Communications with the Commission: Whenever Consultant is obligated to seek input from the Commission, make a recommendation to the Commission, or otherwise communicate with the Commission, Consultant shall communicate only with the Commission, the Contract Monitor and those other agents or designees identified by the Commission.
- d) From time to time, the Commission and/or Staff requires technical assistance in responding to inquiries from various parties. Consultant will provide technical assistance to Staff in a timely manner and will provide access to a principal consultant and a primary alternate consultant for technical assistance. Such technical assistance may be required to be furnished in writing. Such assistance may include, but not be limited to, the gathering of market data, the completion of Freedom of Information Act requests, and/or the completion of surveys.
- e) The Consultant, the Commission and the Contract Monitor will collaborate in determining Consultant’s staffing for this relationship.
- f) Consultant recognizes that part of its fiduciary obligation is to bring to the Commission’s attention, through its Chair or Vice-Chair, any information which a reasonable fiduciary would believe to be worthy of further inquiry by the Commission and which relates to the conduct or plans of a Commission employee, agent, a Commissioner, or would otherwise reasonably warrant the Commission’s attention under the circumstances.
- g) The Consultant will proactively communicate in writing to the Chair or Vice-Chair (i) any concerns that the Consultant might have regarding the Portfolio and its investment operations, or (ii) any ideas that the Consultant might have for improving the Portfolio and its investment operations.

3.2.0 Minimum Qualifications.

3.2.1 Qualifications.

Offeror must meet **all** of the following minimum qualifications to RSIC’s satisfaction to be given further consideration. Failure to satisfy the minimum qualifications will result in the immediate rejection of the Proposal. Offeror must complete **Exhibit B** – Minimum Qualifications Certification substantiating that all of the minimum qualifications and requirements are met. Failure to satisfy each of the minimum qualifications will result in the immediate disqualification of the proposal.

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- a) The firm selected must have been in business providing general institutional investment consulting for or at least ten (10) years and provide evidence of firm stability and financial strength.
- b) The firm selected must have at least one (1) defined benefit general consulting client with a minimum of \$10 billion in assets.
- c) The individual(s) assigned to RSIC as lead consultant(s) must have a minimum of ten (10) years of experience (each) with a public defined benefit plan and at least five (5) years' experience (each) as a primary consultant for a public defined benefit plan. The individual(s) assigned to RSIC as secondary consultant(s) must (each) have a minimum of five (5) years of public defined benefit plan consulting experience.
- d) The firm must be a registered investment advisor under the Investment Company Act of 1940.
- e) The firm must agree to be a fiduciary to the Retirement System as that term is defined by state law (See S.C. Code Ann. Sections 9-1-1310 and 9-16-10 *et seq.*).
- f) The firm must agree to disclose all conflicts of interest, all sources of revenue, and all affiliations.
- g) The firm must carry the following insurance coverage or must have applied for it by the contract execution date:
  - i) Workers' Compensation and Employer's Liability: min \$1,000,000
  - ii) General Liability: min \$1,000,000
  - iii) Professional Liability (Errors & Omissions): min \$5,000,000.

**IV. INSTRUCTIONS TO OFFEROR AND INFORMATION**

**4.1.0 General Instructions.**

**4.1.1 Right of Non-Commitment or Rejection.**

This RFP does not commit RSIC to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for the articles of goods or services. RSIC reserves the right to accept or reject any or all proposals received as a result of this request, or to cancel in part or in its entirety this proposal if it is in the best interest of RSIC and/or the Retirement System to do so. RSIC reserves the right to award contracts to more than one investment consultant if deemed appropriate and desirable.

**4.1.2 Notice of Intent to Respond.**

So that RSIC may provide interested parties with addendums or clarifications to this RFP, all firms intending to respond to this RFP are required to submit a Notice of Intent to Respond to RSIC no later than **January 17, 2022 at 5:00 p.m. EST**. To indicate your firm's non-binding intent to complete this RFP, please email the following information to Robert Feinstein at [rfeinstein@rsic.sc.gov](mailto:rfeinstein@rsic.sc.gov) with "General Investment Consulting Services RFP Intent to Respond" in the subject line:

- Firm Name:
- Primary Contact for this RFP:
- Title:
- Street Address:
- City:
- State:
- Zip Code:
- Telephone:
- Facsimile:
- Email Address:

# **South Carolina Retirement System Investment Commission**

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**Failure to submit a Notice of Intent to Respond by January 17, 2022 at 5:00 p.m. EST will result in your Proposal being considered nonresponsive or non-qualified.**

### **4.1.3 Submission of Written Questions.**

Questions from prospective Offerors regarding the information presented in the RFP must be received by RSIC in writing via e-mail to [rfeinstein@rsic.sc.gov](mailto:rfeinstein@rsic.sc.gov) no later than **January 24, 2022 at 5:00 p.m. EST**. Without divulging the source of the query, all questions received will be answered and circulated by e-mail to all firms who submitted a Notice of Intent to Respond. Questions submitted after the deadline will not be considered.

### **4.1.4 Preparation of Proposal – General Requirements.**

So that RSIC can consider your Proposal, please submit the following information and your Proposal in the listed format.

- (a) Proposals should be prepared simply and economically, providing a straightforward, concise description of Offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
- (b) Each copy of the Proposal should be bound in a single volume where practical. All documentation submitted with the Proposal should be bound in that single volume. Any company or marketing materials should be provided separately.

### **4.1.5 Proposal Format.**

Proposals/responses to questions must be organized in the exact order in which the requirements are presented in the RFP, except as otherwise noted. All pages must be numbered. Each paragraph in the Proposal must correspond to and reference the paragraph number in the corresponding section of the RFP. It is also helpful to cite the paragraph number, sub-letter/number, and repeat the text of the requirement as it appears in the RFP. The Proposal must also contain a table of contents that cross references the RFP requirements. Information that Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the Proposal and designated as additional material in a separate appendix.

### **4.1.6 Cover Letter.**

The Proposal must be accompanied by a cover letter that is signed and dated by at least one individual who is authorized to bind Offeror contractually. This cover letter must include:

- a) Offeror's name, address, and telephone/fax numbers;
- b) The name, title, and/or position which the individual holds with Offeror; and the address, telephone, facsimile numbers, and e-mail addresses of the following personnel:
  - (i) The person(s) authorized to execute the contract on behalf of Offeror with specific references to any documents necessary to evidence such authority (e.g., articles of incorporation, bylaws, partnership agreement, etc.);
  - (ii) The person(s) authorized to answer questions concerning the Proposal and to negotiate the terms of a contract or partnership agreement. The Proposal should state that this person(s) will be available and accessible to RSIC or its designee(s) throughout the period of any contract negotiations;
  - (iii) The person(s) who will have responsibility for management of the engagement. The Proposal should state that this person(s) will be available and accessible to the Commission or its designee(s) throughout the period of any resulting contract;
- c) A summary of Offeror's ability to perform the services described herein;

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- d) A statement that Offeror is willing to perform those services and enter into a contract with RSIC;
- e) The following statement:

“The offer tendered by this Proposal will remain in force and effect until, and may be accepted by the South Carolina Retirement System Investment Commission, prior to June 30, 2022.”

- f) **BY SUBMITTING A PROPOSAL, OFFEROR AGREES TO BE BOUND BY THE TERMS OF THE RFP, ITS PROPOSAL, AND ANY RESULTING CONTRACT AND CERTIFIES THAT THE INFORMATION IN THE PROPOSAL IS TRUE AND CORRECT.**

4.1.7 Table of Contents.

Immediately following the Cover Letter, there must be a comprehensive Table of Contents of the material included in the Proposal. The Table of Contents must clearly identify the Proposal’s sections/subsections and the applicable page numbers.

4.1.8 Executive Summary.

Please submit an executive summary consisting of not more than three, one-sided pages that summarizes the contents of the Proposal with the firm’s name identified on the top of the first page. If the firm is selected for a finalist interview, this summary will be provided to those in attendance in advance of any interview.

4.1.9 Offeror Questionnaire.

Offeror must complete and submit with its Proposal Exhibit A – Offeror Questionnaire.

4.1.10 Minimum Qualifications Certification.

Offeror must complete and submit with its Proposal Exhibit B – Minimum Qualifications Certification with such detail as to substantiate that all of the minimum qualifications are met.

4.1.11 RFP Questionnaire.

Offeror must complete and submit with its Proposal Exhibit C – RFP Questionnaire and all responses to the questions must be organized in the exact order in which they are presented in the RFP Questionnaire. Each question should be numbered as it is in the Exhibit C – RFP Questionnaire and be repeated in bold-type before providing your answer.

4.1.12 Fee Proposal.

Offeror must complete and submit with its Proposal Exhibit D – Fee Proposal.

4.1.13 Key Employee List.

Offeror must complete and submit with its Proposal Exhibit E – Key Employee List.

4.1.14 Open Trade Representation.

Offeror must complete and submit with its Proposal Exhibit F – Open Trade Representation.

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4.1.15 RSIC Cloud Computing Security Assessment Questionnaire.

Offeror must complete and submit with its Proposal Exhibit G – RSIC Cloud Computing Assessment Questionnaire.

4.1.16 Appendix A - Form ADV Parts I and II.

Please attach a copy of the Offeror's current Form ADV Parts I and II and all other registered investment advisers (whether SEC or state registered) that are affiliated with or related to your firm.

4.1.17 Appendix B - Annual Financial Report.

Please provide a copy of the firm's most recent audited financial statements, which must include at least an income statement, balance sheet, and statement of cash flows.

4.1.18 Subcontractors.

The Proposal must identify proposed subcontractors, if any, and clearly outline the work to be performed by such subcontractor(s). An official of each proposed subcontractor must sign, and include as part of the response to the RFP, a statement to the effect that the subcontractor has read and will agree to abide by Offeror's obligations. The Proposal must provide that Offeror understands and agrees that RSIC will look solely to Offeror for performance of the contract and that Offeror agrees to indemnify and hold harmless the Retirement System; RSIC; the State Fiscal Accountability Authority and the South Carolina Public Employee Benefit Authority, as co-trustees of the Retirement System; and their respective officers, agents, and employees, in both individual and official capacities, from any claim asserted by or against Offeror's subcontractors in connection with this engagement.

4.1.19 Public Record.

Upon the expiration of the Proposal Deadline, all Proposals shall be deemed a public record and shall be subject to requests for public disclosure except for matters that are protected pursuant to the South Carolina Freedom of Information Act. **PLEASE SEE SECTION 4.5.0 FOR ADDITIONAL INFORMATION RELATING TO PRIVILEGED/CONFIDENTIAL, TRADE SECRET, AND PUBLIC INFORMATION.**

4.1.20 The successful Offeror's entire Proposal, including, but not limited to the Cover Letter, Disclosure Statement, Subcontractor(s) statement, and any and all exhibits and appendices attached hereto, will be incorporated into any resulting contract relating to this RFP, as negotiated with RSIC.

RSIC reserves the right to interview all individuals proposed for this engagement. Individuals proposed for this engagement must be the individuals responsible for the actual performance of services for this engagement. RSIC reserves the right to reject any individual proposed. No substitutes in the key members/personnel of Offeror who would provide services will be made without preapproval by RSIC. RSIC reserves the right to require the removal of any person from the engagement who, in its judgment, is not performing satisfactorily, or with whom a conflict of interest exists at any time.

**4.2.0 Communications with RSIC and Offerors.**

4.2.1 The Contact for this RFP:

Robert Feinstein  
Managing Director  
South Carolina Retirement System Investment Commission

# South Carolina Retirement System Investment Commission

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1201 Main Street, Suite 1510  
Columbia, South Carolina 29201  
Telephone: 803-737-6809  
Email: [rfeinstein@rsic.sc.gov](mailto:rfeinstein@rsic.sc.gov)

4.2.2 Consultants that intend to submit a Proposal should not contact any Commissioner or employee of the State of South Carolina other than the Contact. An exception to this rule applies to Consultants that currently do business with RSIC, the Retirement System, or the State Treasurer's Office, such as current investment consultants. However, any contact made by such firms with persons other than the Contact must be limited to that business and must not relate to this RFP. In addition, firms that intend to submit a Proposal should not discuss this RFP with any employee of the Retirement System's custodian (BNY), other RSIC/Retirement System investment managers, consultants, legal counsel, or other advisors.

#### 4.2.3 Discussion/Negotiation.

By submission of a Proposal, Offeror agrees that during the period following issuance of a Proposal and prior to final award of a contract, Offeror **shall not** discuss this procurement with any party except those parties specifically designated by RSIC. Offeror shall not attempt to discuss with or attempt to negotiate with RSIC any aspect of the procurement.

#### 4.2.4 Discussion with Responsive Offerors.

Discussions may be conducted with responsive Offerors who submit Proposals for the purpose of clarification to assure full understanding of the requirements of the RFP and Proposals. All Offerors whose Proposals, in RSIC's sole judgment, need clarification shall be accorded such an opportunity.

4.2.5 Except as otherwise provided herein, current service providers who may consider responding to this RFP or current service providers who are responsive Offerors must limit their contact for business transactions to RSIC or its employees with whom they ordinarily interact and must avoid direct contact with such persons during this proposal period, other than that which might occur at regularly scheduled meetings or in carrying out the performance of their duties under any current contract.

#### 4.3.0 Submission of Proposal.

Submit one (1) original and three (3) copies of your Proposal to the Contact. The original must contain original signature(s) of person(s) authorized to contractually bind Offeror, be labeled "Master Copy", and placed in a loose-leaf, three-ringed binder, which displays Offeror's name on the outside front cover and the spine. (Do not submit the Master Copy with spiral binding.). An electronic copy of your Proposal response must be provided on a flash drive. If Offeror is submitting Privileged/Confidential or Trade Secret information, Offeror must also submit one complete copy of the Offeror's response in redacted form. The redacted copy should (i) reflect the same pagination as the original, and (ii) show the empty space from the information was redacted.

**All Proposals must be delivered by February 8, 2022 at 5:00 p.m. EST.** Proposals received after this date and time will not be considered. The required number of hard copies and an electronic copy on a flash drive of the Proposal must be delivered to the Contact.

A Proposal may be rejected if it is conditional or incomplete, deemed nonresponsive or non-qualified, or if it contains any alterations of form or other irregularities of any kind. RSIC may reject any or all Proposals and may waive any immaterial deviation in a Proposal. RSIC's waiver

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of an immaterial defect shall in no way modify the RFP document or excuse Offeror from full compliance with all requirements if a contract is awarded.

Costs for developing Proposals and in anticipation of award of a contract are entirely the responsibility of Offeror and shall not be charged to RSIC. There is no expressed or implied obligation for RSIC or the Retirement System to reimburse Offerors for any expense incurred in preparing Proposals in response to this RFP.

An Offeror may modify a Proposal after its submission by withdrawing its original Proposal and resubmitting a new Proposal prior to the Proposal submission deadline date. Proposal modifications offered in any other manner, oral or written, will not be considered.

An Offeror may withdraw its Proposal by submitting a written withdrawal request to RSIC. An Offeror may thereafter submit a new Proposal prior to the Proposal submission deadline.

RSIC shall have no obligation during the evaluation to discover and report to Offeror any defects or errors in the submitted documents. Offeror, before submitting their documents, should carefully proof them for errors and adherence to the RFP requirements.

#### **4.4.0 Addenda, Errors and Omissions, and Amendments.**

4.4.1 RSIC may modify any part of this RFP in writing by issuance of an addendum. Addenda issued prior to the final filing date for submission of Proposals will be sent to all parties who were sent the RFP. Addenda issued after the Deadline for Proposal Submission will be sent to all responding Offerors as appropriate.

4.4.2 If an Offeror discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, Offeror shall immediately notify RSIC of such error in writing and request clarification or modification of the document. Such notice shall be given prior to the final filing date for submission of Proposals. Modifications of the RFP by RSIC shall be made by addenda. Clarifications by RSIC shall be issued by written notice to all parties who were sent the RFP. If, prior to the final filing date for submission, an Offeror fails to notify RSIC of a known error, or an error that reasonably should have been known, Offeror shall not be entitled to additional compensation or time by reason of the error or its late correction.

4.4.3 Verbal comments or discussions by RSIC relative to this RFP cannot add, delete, or modify any written provision. Any alteration to this RFP must be in the form of a written amendment to all offerors.

If it becomes necessary to revise any part of the RFP, an amendment will be provided to all eligible Offerors.

#### **4.5.0 Submitting Privileged/Confidential and Trade Secret Information.**

All Offerors must visibly mark each part of their Proposal that they consider to contain privileged and confidential information, or trade secrets, as set forth herein, and include a separate, redacted copy of the Proposal.

##### **4.5.1 Overview.**

Under the South Carolina Freedom of Information Act (“FOIA”), certain documents an Offeror submits to RSIC may be subject to public disclosure. All references are to the South Carolina Code of Laws, which is available on the Internet at:



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<http://www.scstatehouse.gov/code/t30c004.php>. Offerors are urged to become familiar with FOIA (Title 30, Chapter 4 of the South Carolina Code) and the Trade Secrets Act (Title 39, Chapter 8 of the South Carolina Code).

Privileged and confidential information, as defined in S.C. Code Ann. Section 11-35-410, is “information in specific detail not customarily released to the general public, the release of which might cause harm to the competitive position of the party supplying the information.” The examples of such information provided in the statute are:

- a) Customer lists;
- b) Design recommendations and identification of prospective problem areas under an RFP;
- c) Design concepts, including methods and procedures; and
- d) Biographical data on key employees of the bidder.

Evaluative documents pre-decisional in nature such as inter- or intra-agency memoranda containing technical evaluations and recommendations are exempted so long as the contract award does not expressly adopt or incorporate the inter- or intra-agency memoranda reflecting the pre-decisional deliberations.

#### 4.5.2 Instructions for Submitting Privileged/Confidential or Trade Secret Information.

For every document Offeror submits in response to or with regard to this RFP, Offeror must separately mark with the word “CONFIDENTIAL” on every page, or portion thereof, that Offeror contends contains information that is exempt from public disclosure because it is either (a) a trade secret, as defined in S.C. Code Ann. Section 30-4-40(a)(1), or (b) privileged and confidential as that phrase is defined in S.C. Code Ann. Section 11-35-410.

For every document Offeror submits in response to or with regard to this RFP or request, Offeror must separately mark with the words “TRADE SECRET” every page, or portion thereof, that Offeror contends contains a trade secret, as that term is defined by S.C. Code Ann. Section 39-8-20 of the Trade Secrets Act.

**All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. Do not mark your entire Proposal (bid, proposal, quote, etc.) as confidential or trade secret. IF YOUR PROPOSAL, OR ANY PART THEREOF, IS IMPROPERLY MARKED AS CONFIDENTIAL OR TRADE SECRET, RSIC MAY, IN ITS SOLE DISCRETION, DETERMINE IT NONRESPONSIVE.**

**NOTE: MARKING YOUR ENTIRE PROPOSAL CONFIDENTIAL/PROPRIETARY OR TRADE SECRET IS NOT IN CONFORMANCE WITH THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT.**

#### 4.5.3 Agreement to Release.

By submitting a Proposal to this RFP, Offeror (1) consents to the public disclosure of every page of every document regarding this RFP or request that was submitted at any time prior to entering into a contract (including, but not limited to, documents contained in a Proposal, documents submitted to clarify a response, and documents submitted during negotiations), unless the page is conspicuously and properly marked “TRADE SECRET” or “CONFIDENTIAL”, (2) agrees that any information not marked, as required by these instructions, as a “TRADE SECRET” is not a trade secret as defined by the Trade Secrets Act, and (3) agrees that, notwithstanding any claims or

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markings otherwise, any prices, commissions, discounts, or other financial figures used to determine the award, as well as the final contract amount, are subject to public disclosure. In determining whether to release documents, RSIC will detrimentally rely on Offeror’s marking of documents, as required by these instructions, as being either “CONFIDENTIAL” or “TRADE SECRET”. By submitting a Proposal, Offeror agrees to defend, indemnify, and hold harmless the State of South Carolina, RSIC, the Retirement System, the State Fiscal Accountability Authority, the South Carolina Public Employee Benefit Authority, and their officers and employees, from every claim, demand, loss, expense, cost, damage, or injury, including attorney’s fees, arising out of or resulting from RSIC withholding information that Offeror marked as “CONFIDENTIAL” or “TRADE SECRET”.

**4.6.0 Oral Presentations.**

RSIC may, at its discretion, request Offeror(s) to make oral presentations of their proposals to the full Commission and/or Staff. Such presentations may provide an opportunity for Offerors to clarify their Proposals and to ensure a thorough understanding.

**V. EVALUATION PROCESS AND AWARD CRITERIA**

**5.1.0 Proposal Evaluation Process.**

**5.1.1 Evaluation and Selection Procedure.**

RSIC, and/or its designee(s), will review Proposals timely submitted by Offerors. Proposals submitted in response to this RFP may be accepted as submitted, or may be used as a basis for further negotiation of specific project details with Offerors. In evaluating Proposals, the search team and RSIC will consider the following criteria:

Criteria	Weight
Consulting Team: Depth, breadth, and experience of the professionals directly working on RSIC account.	25%
Organizational Strength: Asset allocation experience, research platform, operations, and administrative support.	25%
Investment Approach: Soundness of approach to meeting RSIC’s needs.	25%
Fee Proposal.	25%

5.1.2 RSIC or its designee(s) may choose to validate any aspect of the Proposal submitted. Validation may consist of on-site visits, review of records, and/or confirmation with third parties. If an Offeror’s Proposal cannot be validated, the Proposal may be considered nonresponsive or non-qualified and subject to rejection.

**5.1.3 Non-Qualifying or Nonresponsive Proposals.**

RSIC will evaluate each proposal to determine if it was submitted in accordance with the requirements set forth in this RFP, including whether the proposing firm meets the minimum criteria. All non-qualifying or nonresponsive Proposals not subject to the waiver/cure of minor information will be rejected at this time and the proposing firm so notified.

5.1.4 Clarifications may be requested from an Offeror at any phase of the evaluation process for the purpose of clarifying ambiguities in the information presented in the Proposal.

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5.1.5 Proposals and any subsequent presentations should be submitted with the most favorable terms Offeror can offer. If RSIC is unable to execute an Agreement (“Agreement”) with the apparent successful competitor, RSIC reserves the right, in its sole discretion, to award the Agreement to another responsive and responsible Offeror whose Proposal conforms to the requirements of this RFP.

5.1.6 Award.

Any award resulting from this RFP shall be awarded to the responsive and responsible Offeror whose Proposal is determined to be most advantageous to RSIC, taking into consideration price, when required, and the evaluation factors set forth herein; however, RSIC reserves its right to reject any and all proposals received, and in all cases, RSIC will be the sole judge as to whether an Offeror’s proposal has or has not satisfactorily met the requirements of this RFP.

**VI. TERMS AND CONDITIONS**

6.1.0 **Contract Formation, Terms, and Conditions.**

It is anticipated that one of the Proposals submitted to this RFP will be selected as the basis for negotiation of a contract or partnership agreement with the entity submitting the offer. Such a contract must contain, in substance, the general terms and conditions as set forth in this RFP (as applicable), and such other provisions as required by RSIC for the particular engagement.

RSIC reserves the right to reject any and all Proposals submitted and to negotiate with Offeror(s) additions, deletions, or modifications to the terms of Proposals submitted. RSIC will not sign an Offeror’s standard form contract that does not contain the requisite provisions required by RSIC. The form and content of the resulting contract, if any, will depend on the services to be provided and the structure of the relationship for the particular engagement.

6.1.1 Scope of Work.

Consultant shall perform the services described in the Scope of Services set forth in this RFP.

6.1.2 Relationship between the Parties.

The relationship of Consultant to Client and participants of the Retirement System under the Agreement shall be that of a fiduciary, as set forth in S.C. Code Ann. Sections 9-1-1310 and 9-16-10 *et seq.*, and any policies and regulations that are or may be promulgated pursuant thereto (as applicable to the particular engagement). The relationship of Consultant to Client shall also be that of an independent contractor. Neither Consultant nor its agents or employees shall be deemed employees of Client for any purpose whatsoever. Consultant shall not represent that it, or its agents or employees, are agents or employees of Client and shall have no power or authority to bind or obligate Client except as provided in the Agreement. Consultant shall be liable for and pay all taxes required by local, state, or federal governments, including but not limited to, social security, workers’ compensation, employment security, and any other taxes and licenses required by law. No employee benefits of any kind shall be paid by Client to or for the benefit of Consultant or its employees, agents, or servants.

6.1.3 Term of Agreement and Termination.

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- a) Duration. The initial term of the Agreement shall be for the five-year period commencing on June 1, 2022 and ending May 30, 2027, with up to two, one-year renewal periods at the option of RSIC. The Agreement may be extended for additional periods as appropriate and agreed to by the parties.
- b) Termination. The Agreement may be terminated for convenience by Client upon not less than three (3) business days' written notice; provided, however, that Client may, in its sole discretion and upon written notice to Consultant, terminate this Agreement immediately if Consultant is in breach of any term, condition, standard, obligation, or warranty in the Contract Documents. Upon termination of the Agreement, Consultant shall provide Client with the materials required by the Scope of Services through the effective date of termination of the Agreement.
- c) Liability. Consultant shall be liable to Client for all loss and damage arising from or relating to termination due to Consultant's breach of its obligations under the Agreement, negligence, breach of fiduciary responsibility (as applicable to the particular engagement), misconduct, bad faith, or fraud, including the cost to Client to complete performance or to obtain other consultants to complete performance, including reasonable attorney's fees and costs. Client may withhold from amounts due to Consultant any sum necessary to repay in whole or in part all loss or damage arising or to arise to Client from such termination.

#### 6.1.4 Fees.

- a) Applicable Fees. Consultant shall be paid fees for its services rendered pursuant to the Agreement.
- b) S.C. Code Ann. Section 11-9-105. As provided in the Agreement, the Consultant shall complete all services outlined in the Scope of Services. In the event all services are not fully rendered as provided in the Agreement, any monies which have been pre-paid by Client under the Agreement for services not yet rendered must be refunded to Client along with a twelve percent (12%) penalty for failure to perform. Payment made pursuant to this provision shall not be construed as a waiver by Client of any claim, mitigation, or satisfaction of damages that may be payable.
- c) Non-Appropriations. Any contract entered into by the State of South Carolina or its departments, institutions, agencies, political subdivisions, or other entities resulting from this RFP shall be subject to cancellation without damages or further obligation when funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period or appropriated year.

#### 6.1.5 Confidentiality.

Confidential Relationship. All non-public information provided by Client or the Custodian to Consultant shall be considered confidential. All recommendations, advice, and other work product of Consultant regarding Client's investments or Client's relationship with Consultant shall be considered confidential. Consultant agrees to take all necessary steps to safeguard confidential material. Consultant agrees not to release any confidential information without the express written consent of Client and further agrees not to use any confidential information for any other purpose other than performance under this contract; provided, however, Consultant may

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disclose or communicate confidential information to a proper party as is necessary to carry out the purposes of the Agreement or as may be required by law.

In the event Consultant receives a subpoena or any validly issued judicial process requesting confidential information or a request for disclosure pursuant to the South Carolina Freedom of Information Act, Consultant shall promptly notify Client in order to allow Client to challenge such legal process or request for information before disclosure by Consultant. Further, Consultant shall release such information only (a) in accordance with applicable laws, (b) upon Client's written consent, which shall not be unreasonably withheld, or (c) upon Consultant's receipt of a Court Order or other legal process requiring release.

- a) Approval of Publicity Releases. Consultant shall not include Client's names in its published list of clients without prior approval of Client. With regard to news releases, only (a) the name of Client, and (b) the type and duration of the Agreement may be disclosed, and then only with prior written approval of Client. Consultant agrees not to publish or cite in any form any comments or quotes from any of Staff without the prior written approval of Client. Consultant further agrees not to refer to award of the Agreement in commercial advertising in such a manner as to state or imply that the products or services provided are endorsed or preferred by Client.
  
- b) Proprietary Information. Any and all reports, analyses, and data, whether statistical or otherwise, prepared specifically and exclusively for Client by Consultant pursuant to the Agreement shall become the property of Client and may be used for such purposes as Client shall deem appropriate unless such use is otherwise prohibited by the Agreement. Notwithstanding anything to the contrary contained in the Agreement, it is understood and agreed that Consultant shall retain all of its rights in methods of analysis, ideas, concepts, expressions, know-how, methods, techniques, skills, knowledge, and expertise possessed by Consultant prior to, or acquired by Consultant during the performance of the Agreement and the Consultant shall not be restricted in any way with respect thereof. In the event the work product provided to Client incorporates any of Consultant's intellectual capital, Consultant hereby grants Client a non-transferable, non-exclusive license to use such intellectual capital for purposes of utilizing the work product. If Consultant specifically identifies information as trade secrets or proprietary information, Client agrees that it shall not disclose information so identified with any other person without the prior written approval of Consultant, except in connection with any governmental or judicial proceeding or inquiry or as may be required by applicable law, including, but not limited to, the South Carolina Freedom of Information Act. Consultant agrees that it will not unreasonably withhold its approval in relation to an audit or other inquiry. In the event Client receives a subpoena, or any validly issued judicial process requesting such information, Client shall promptly notify Consultant to allow Consultant to challenge such legal process.

#### 6.1.6 Conflicts of Interest; Code of Conduct.

Consultant must disclose to Client any known relationship between Consultant and any investment manager or other service provider or vendor for RSIC. Consultant must disclose any conflict of interest, and disclose any potential conflict of interest relating to Consultant's performance of the Agreement. Consultant and its employees will comply with the code of conduct set forth in S.C. Code Ann. Section 9-16-360(B), as amended (as applicable with regard to this RFP).

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6.1.7 Representations and Warranties.

Consultant must represent, warrant, and covenant as follows:

- a) Consultant possesses a high degree of skill and experience as an investment advisor, fiduciary, and/or consultant; it maintains and will maintain a professional staff and facilities to perform the services required by the Agreement;
- b) Consultant is presently registered and, to its knowledge, is in good standing as an investment advisor with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and shall remain so registered and in good standing for the duration of the Agreement. Consultant shall notify Client immediately upon receipt of notice that it is not in good standing as an investment advisor with the Securities and Exchange Commission. Failure to comply with the terms of this provision shall constitute a material breach of the Agreement.
- c) Consultant has disclosed to Client any litigation pending against Consultant related to its performance of duties as set forth in the Scope of Services and any pending investigation of Consultant by the Securities and Exchange Commission or any other regulatory authority related to its performance of duties as an investment advisor or consultant. Consultant will disclose any future such litigation or investigations. Failure to comply with the terms of this provision shall constitute a material breach of the Agreement.
- d) Consultant shall keep, maintain, and make available all books, records, and documents related to the services performed under the Agreement for the audit and examination by authorized personnel of Client upon prior written notice and at reasonable times and places during the term of the Agreement and for six (6) years thereafter.

6.1.8 Choice-of-Law.

The Agreement shall be considered to be a South Carolina contract and shall be deemed to have been made in Richland County, South Carolina, regardless of the order in which the signature of the parties shall be affixed hereto. The Agreement and any dispute, claim, controversy, rights, and liabilities of the parties relating to the Agreement shall, in all respects, be determined, interpreted, construed, enforced, and governed by and in accordance with the laws of the State of South Carolina.

6.1.9 Choice of Forum.

- a) Consultant and Client consent to the exclusive jurisdiction of both the United States District Court for the District of South Carolina and the courts of the State of South Carolina. Further, Consultant and Client agree that any suit, action, or proceeding arising out of or relating to the Agreement shall be instituted only in the courts of the State of South Carolina or the United States District Court for the District of South Carolina, United States of America. Each party waives any objection it may have now or hereafter to venue of any such suit, action, or proceeding within the State of South Carolina.
- b) The State of South Carolina (including the Commission, RSIC, and the Retirement System) expressly reserves its sovereign immunity and its immunity under the Eleventh Amendment of the United States Constitution.

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6.1.10 Non-Assignment.

Consultant shall make no “assignment” (as such term is defined in the Investment Advisers Act of 1940) of the Agreement without the written consent of Client, and such consent may be withheld in Client’s sole discretion.

6.1.11 Force Majeure.

If either party is rendered unable by force majeure or any other cause of any kind not reasonably within its control, wholly or in part, to perform or comply with any obligation or condition of the Agreement, upon such party’s giving timely notice and reasonably full particulars to the other party, such obligation or condition shall be suspended during the continuance of the inability so caused and such party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during such period. The cause of the suspension shall be remedied so far as possible with reasonable dispatch.

The party that is unable to perform according to the terms of the Agreement due to an occurrence covered by this provision shall immediately notify the other party of any change in circumstances giving rise to the suspension of its performance and of its resumption of performance under this Agreement.

The term “Force Majeure” shall include, without limitation by the following enumeration, acts of God, terrorism or the public enemy, the elements, fire, accidents, breakdowns, strikes and any other industrial, civil, or public disturbance, or any act or omission beyond the reasonable control of the party having the difficulty, and any restrictions or restraints hereafter imposed by laws, orders, rules, regulations, or acts of any government or governmental body or authority, civil or military.

6.1.12 Indemnification.

- a) Consultant shall indemnify and hold harmless Client and its officers, trustees, and employees and their respective successors and assigns and the Retirement System (collectively, the “Client Parties”) for any liabilities, losses, damages, reasonable attorneys’ fees, costs, or expenses (including, without limitation, costs of investigation) that Client Parties may incur in connection with the Agreement, or the transactions contemplated hereby, arising from or relating to Consultant’s breach of its obligations under the Agreement, negligence, breach of fiduciary duty, misconduct, bad faith, or fraud. Client’s or Client Parties’ rights hereunder are cumulative to any rights it may otherwise have in law or equity.
- b) Upon receipt by Client or any Client Parties of any claim with respect to which it may be entitled to indemnification under this section, Client shall promptly notify Consultant in writing thereof, enclosing a copy of all papers, if any, served; provided, however, Client’s failure or delay in so notifying Consultant shall not affect Consultant’s liability hereunder.
- c) Consultant shall not settle any claim relating to the Agreement without the prior written consent of Client, which shall not be unreasonably withheld.

6.1.13 Affirmative Action (Anti-Discrimination).

Consultant shall comply with all applicable federal and state requirements concerning fair employment and employment of the handicapped, and concerning the treatment of all employees, without regard to or discrimination by reason of race, color, religion, sex, national

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origin, or physical handicap.

6.1.14 Compliance with State Law and Industry Standards.

During the term of the Agreement, Consultant shall comply with all applicable provisions of laws, codes, ordinances, rules and regulations, tariffs, and industry standards.

- a) Consultant (1) acknowledges that S.C. Code Ann. Section 9-16-55 prohibits Client from investing funds of the Retirement System in certain statutorily specified types of companies and business operations in the Republic of Sudan, and (2) agrees that any advice provided by Consultant will be in accordance with the requirements of this law.
  
- b) Consultant (1) acknowledges that S.C. Code Ann. Section 11-35-5300 prohibits Client from doing business with an Offeror engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade as defined in S.C. Code Ann. Section 11-35-5300, and (2) agrees that any advice provided by Consultant will be in accordance with the requirements of this law.

6.1.15 Maintain Licenses and Disclosure of Changes to Registrations.

- a) During the term of the Agreement, Consultant shall have and maintain, in good standing, all licenses (including professional licenses, if any), permits, and inspections, including any related fees for any such licenses, permits, and/or inspections, required by any state, county, city, or other government entity or unit to accomplish the work specified in the Agreement.

Consultant shall provide Client with a complete copy of its latest Form ADV on file with the Securities and Exchange Commission at least forty-eight (48) hours prior to executing a contract.

- b) Notwithstanding any other provision of the Agreement, Consultant shall disclose to Client, within one (1) business day following, an event which Consultant reasonably believes could have an adverse effect on Consultant's ability to perform under the Agreement or Consultant's registration as an investment advisor. A non-exclusive list of such events is:
  - (i) any known investigation by federal or state agencies or self-regulatory organization of Consultant (for lack of doubt, a routine examination shall not be considered an investigation);
  
  - (ii) any known complaint against Consultant filed with a federal or state agency or self-regulatory organization;
  
  - (iii) any known proceeding naming Consultant before any federal or state agency or self-regulatory organization; and



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(iv) any fine, penalty, censure, or other disciplinary action taken against Consultant.

6.1.16 Corporate Changes.

Consultant shall notify Client of any material changes in Consultant's structure, compensation plan for key employees, as set forth in Exhibit E – Key Employee List, or personnel within ten (10) business days of the change. Consultant shall notify Client of any material changes in the ownership of Consultant or any entity which has a material ownership interest in Consultant within ten (10) business days of the change. A change of twenty percent (20%) or more in ownership is considered a material change for purposes of this provision.

6.1.17 Bankruptcy.

(1) Notice. In the event Consultant enters into proceedings relating to bankruptcy, whether voluntary or involuntary, Consultant agrees to furnish written notification of the bankruptcy to Client. Such notification shall be furnished within two (2) days of the initiation of the proceedings relating to the bankruptcy filing. The notification shall include the date on which the bankruptcy petition was filed and the identity of the court in which the bankruptcy petition was filed. (2) Termination. Any contract entered into between Consultant and Contractor is voidable and subject to immediate termination by Client upon Consultant's insolvency, which shall include the filing of proceedings in bankruptcy.

6.1.18 Drug-Free Workplace.

In accordance with S.C. Code Ann. Section 44-107-60, as amended, this Agreement is subject to immediate termination, suspension of payment, or both, if Consultant fails to comply with the Drug-Free Workplace Act, codified at S.C. Code Ann. Sections 44-107-10 *et seq.*

6.1.19 Fiduciary Status.

Consultant, by execution of the Agreement, acknowledges (a) that it is a fiduciary as defined in S.C. Code Ann. Section 9-16-10(4); (b) that it must discharge its fiduciary duties consistent with Section 9-16-40; (c) that as a fiduciary, it is liable as set forth in Section 9-16-70; (d) that any agreement purporting to limit its liability as a fiduciary is void under Section 9-16-70(B); and (e) that, consistent with Section 9-16-70(D), it must disclose the terms of certain liability insurance, and Consultant agrees to provide disclosure within twenty (20) business days from obtaining of such liability insurance. Consultant acknowledges that it and its employees are required to comply with the code of conduct set forth in S.C. Code Ann Section 9-16-360(B), as amended. Consultant shall not be responsible for a breach by any other fiduciary. Consultant's responsibility does not include discretionary control of the assets in the Portfolio.

6.1.20 Limit of Types of Investments.

In providing services to RSIC, Consultant shall consider investment managers with investment disciplines consistent with the types of property authorized under S.C. Code Ann. Section 9-1-1310.

6.1.21 Waiver.

- a) No waiver by either party of any provision of this Agreement shall constitute a subsequent waiver of the same or any other provision.
- b) Neither the failure of Client at any time to require performance by Consultant of any provision of this Agreement, nor the continued payment of Consultant by Client, shall in any way effect Client's right to enforce any provision of this Agreement. Client's

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or Consultant’s waiver of any breach of any provision of this Agreement shall not be construed or held to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself.

6.1.22 Notice.

- a) Any and all notices shall be in writing and shall be deemed duly given (1) upon actual delivery to the person identified below, if delivery is by hand, (2) upon receipt by the transmitting party of confirmation or reply, if delivery is by facsimile, telex, or electronic mail; or (3) three business days after deposit into the United States mail, if delivery is by certified mail return receipt requested. Each such notice shall be sent to the respective party at the following address or to any other address as the respective party may designate by notice delivered pursuant hereto.
- b) All notices required by this Agreement shall be directed to the following:

As to Client:

SC Retirement System Investment Commission  
Attn: Legal Division  
1201 Main Street, Suite 1510  
Columbia, South Carolina 29201  
Facsimile: (803) 737-6885  
email: [legal@rsic.sc.gov](mailto:legal@rsic.sc.gov)

SC Retirement System Investment Commission  
Attn: Michael Hitchcock, CEO  
1201 Main Street, Suite 1510  
Columbia, South Carolina 29201  
Facsimile: (803) 737-6885  
email: [mhitchcock@rsic.sc.gov](mailto:mhitchcock@rsic.sc.gov)

As to Consultant:

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

6.2.23 Contract Documents and Precedence.

- a) Consultant and Client agree to be governed by the terms and conditions set forth in the Agreement, including all Exhibits and/or Schedules attached thereto, and any amendments to the Agreement, or its Schedules and Exhibits, the RFP, and Consultant’s Proposal (“Contract Documents”). In the event of any dispute between the parties with regard to the meaning of these documents, the order of precedence shall be, with the lower numbered documents taking precedence over higher numbered items, as follows:
  - (i) The Agreement;
  - (ii) Consultant’s Proposal, which will be incorporated into the Agreement by reference; and

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(iii) This Request For Proposals, which will be incorporated into the Agreement by reference.

- b) The document with the lower number will be deemed dominant and the document with the higher number will be subsidiary. The dominant documents must be interpreted and construed as a whole before attempting to reconcile a subsidiary document.

6.2.24 Arbitration and Trials by Jury.

For the avoidance of doubt and notwithstanding any provision contained in any contract documents entered into by Consultant and Client, Client does not consent to compulsory arbitration or waiver of its right to a trial by jury in any suit, action, claim, or proceeding arising under any contractual relationship between Consultant and Client.

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**EXHIBIT A - OFFEROR QUESTIONNAIRE**

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

\_\_\_\_\_  
Offeror's Legal Name

\_\_\_\_\_  
Type of Business (Corporation, Partnerships, Individual, etc.)

\_\_\_\_\_  
Website

\_\_\_\_\_  
Address of Headquarters

\_\_\_\_\_  
Address of Office Managing the Account (if different)

\_\_\_\_\_  
RFP Contact Name

\_\_\_\_\_  
Telephone Number

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

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
RFP Back-Up Contact Name

\_\_\_\_\_  
Telephone Number

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

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Authorized Signer (authorized to contractually bind the Organization)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title of Authorized Signer (Please print)

\_\_\_\_\_  
Authorized Signer (authorized to contractually bind the Organization)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title of Authorized Signer (Please print)

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**EXHIBIT B - MINIMUM QUALIFICATIONS CERTIFICATION**

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

Offeror must certify that the firm satisfies **all** of the minimum qualifications stated in Section III of this RFP to be given further consideration. The statement must contain sufficient information as prescribed to assure the RSIC of its accuracy. **Failure to satisfy each of the minimum qualifications, based on the RSIC's sole judgment, will result in the immediate disqualification of the proposal.**

The signature of the authorized representative of the Offeror represents and warrants that the Offeror has met **all** of the minimum qualifications on or before December 31, 2021. The insurance coverage requirement must be met no later than the contract execution date.

1. The Offeror has or has had at least one defined benefit general consulting client with assets valued at no less than \$10 billion.

Name of client #1: \_\_\_\_\_

Name of client #2: \_\_\_\_\_

Name of client #3: \_\_\_\_\_

2. The firm is a registered investment advisor under the Investment Advisors Act of 1940 and will serve in a fiduciary capacity to RSIC, as required under S.C. Code Ann. Sections 9-1-1310 and 9-16-10 *et seq.*
3. The firm has been in business for at least ten (10) years providing general institutional investment consulting services.

Number of years firm has been in business: \_\_\_\_\_

4. The primary consultant has no less than ten (10) years of total experience with a public defined benefit plan and at least five (5) years of experience as a primary consultant for a public defined benefit plan. The secondary consultant(s) has no less than 5 years of public defined benefit plan consulting experience.

Name of primary consultant: \_\_\_\_\_

Number of years of public defined benefit plan consulting experience: \_\_\_\_\_

Number of years as primary consultant for public defined benefit plan: \_\_\_\_\_

Number of years employed with firm: \_\_\_\_\_

Name of secondary consultant: \_\_\_\_\_

Number of years of public defined benefit plan consulting experience: \_\_\_\_\_

Number of years employed with firm: \_\_\_\_\_

Name of secondary consultant: \_\_\_\_\_

Number of years of public defined benefit plan consulting experience: \_\_\_\_\_

Number of years employed with firm: \_\_\_\_\_

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- 5. The firm will disclose all conflicts of interest, all sources of revenue, and all affiliations.
- 6. The firm carries or will carry the following insurance coverage on or before the contract execution date:
  - a. Workers' Compensation and Employer's Liability: min \$1,000,000
  - b. General Liability: min \$1,000,000
  - c. Professional Liability (Errors & Omissions): min \$5,000,000

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

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

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**EXHIBIT C - RFP QUESTIONNAIRE**

**A) Stability and Experience of the Offeror**

1. Please provide the following information with respect to the Offeror:
  - a) A brief history of the firm, including its year of organization;
  - b) The location of your headquarters and branch offices, with an indication of which office would service RSIC account; and
  - c) The ownership structure of the firm, including any parents, affiliated companies, or joint ventures.
2. Please list all subcontractors and the expected amount of fees each will receive under any contract awarded under this RFP.
3. Within the past five years, have there been any significant developments in your organization such as changes in ownership, restructuring, or personnel reorganizations?
4. Please describe any such anticipated changes in your organization in the next 12 months.
5. Is your firm, its parent, or an affiliate a registered investment advisor with the SEC under the Investment Advisers Act of 1940? If not, what is your fiduciary classification? Please state whether your firm will serve in a fiduciary capacity to RSIC.
6. What types of regulatory audits and oversights is your firm subject to?
7. In the past five years, has the firm, the Primary Consultant(s), or another officer or principal been involved in any litigation or other legal proceedings or government investigation involving allegations of fraud, negligence, criminal activity, or breach of fiduciary duty relating to services provided to pension funds? If so, provide an explanation for each and indicate the current status.
8. Describe all of your firm's lines of business and the approximate contribution of each to the total revenue. What percent of revenues are reinvested in research functions? Please provide details. If your firm is an affiliate or subsidiary of an organization, state the percent of the parent firm's total revenue generated by your firm.
9. Please discuss the overall business objectives of your firm with respect to future significant changes or growth and how your firm will manage this change. Comment on any present or planned area of emphasis.
10. Please list all of the services the firm provides. Which three services are the firm's special strengths, specialization, or notable areas of expertise when compared with peer consulting firms? Which of these services may not be offered by other investment consulting firms?
11. What are your firm's consulting specialties and strengths? What differentiates your firm from your competitors? What are your firm's limitations?
12. In your view, how should a client measure its investment consulting firm's performance? Please explain. How does the firm measure its own performance?

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**B) Strength of Client Base**

13. Please complete the table below as of December 31, 2021:

<b>Client Base Profile</b>					
<b>Client Type</b>	<b>Number of Discretionary</b>	<b>Discretionary AUA*</b>	<b>Number of Non-Discretionary</b>	<b>Non-Discretionary AUA*</b>	<b>Total Number of Clients</b>
U.S. Defined Benefit Public Pension Funds					
Corporate Pension Funds					
Endowments/ Foundations					
Other (Please specify)					

\* *Assets under advisement*

14. Please list how many times your firm has been involved in the following projects over the last 3 years.

<b>List of Projects</b>	<b>12/31/19</b>	<b>12/31/20</b>	<b>12/31/21</b>
Comprehensive Asset Allocation			
Asset Liability Study			
Investment Manager Search and Selection			
Specialty Consulting (specify)			

15. Provide references for three public defined benefit plans for whom you provide primary consulting services comparable to the services requested in this RFP.

For each reference listed, include client name, full retainer or project basis, name of contact person, title, telephone number, and email address. Please secure advanced permission for RSIC to contact these references.

16. Provide the number of clients who have terminated your firm’s services in the last three years. In each case, detail the reason for termination.

**C) Quality, Stability, Depth, and Experience of Personnel**

17. Provide a copy of the organizational chart of:  
 a. Parent/subsidiary relationships;



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- b. Firm/organization (indicating key personnel names and titles); and
- c. Your consulting unit listing major functional areas with the names and titles of key staff in each area along with the total number of staff in each area. If there are overlaps, please indicate and explain as a footnote.

18. Provide a breakdown of your firm’s staff by job class (i.e., consultant, managerial, marketing, clerical, etc.).

<b>Job Class</b>	<b>Number of Employees</b>	<b>As Percentage of Total</b>

19. Provide a brief resume of each of the individuals you propose to be RSIC’s primary consulting team.

<b>Name</b>	<b>Title</b>	<b>Years with Firm</b>	<b>Years of Investment Experience</b>	<b>Years of Consulting Experience</b>	<b>Designation/Education</b>

- 20. Explain how the team dedicated to the account would function including primary consultant(s), back-up, quality control, and support services.
- 21. What are the procedures for servicing the account when the Primary Consultant(s) or other assigned personnel are traveling or unavailable?
- 22. How many client relationships will the primary consultant(s) have other than this account and what are the corresponding asset values of those relationships?
- 23. What are the firm’s ratios of clients to (a) consultants; (b) personnel dedicated to consulting services; and (c) overall personnel of the firm? What policies are in place to control workload?
- 24. Please indicate the turnover of professional staff (senior management, consultants, and personnel dedicated to consulting services) in the last five years.
- 25. Give a brief description of your firm’s compensation arrangements for senior management, including any incentive and other bonuses and how and for what they are awarded. 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 donot leave the firm either as a group or individually?
- 26. Describe the firm’s approach to diversity and inclusion. Provide a summary of the metrics used to assess your firm’s progress on diversity and inclusion across the organization.

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**D) Conflicts of Interest and Standards of Conduct**

27. Are there any circumstances under which your firm, or any individual in your firm, receives compensation, finder's fees, or any other benefit from investment advisors or managers, investment funds, or third parties? If so, please describe in detail.
28. Has your firm received loans from any money management firms, their subsidiaries, or principals?
29. Have you ever included your own firm, an affiliate, or a sponsored investment vehicle in a vendor search that you have conducted?
30. Does your firm directly or indirectly charge money managers to be included in the firm's investment manager research database or do you otherwise receive payments from investment managers in your database either directly or indirectly. If so, please elaborate.
31. Does your firm hold or sponsor investment manager or client conferences? Are investment managers directly or indirectly charged to attend such events? If so, please elaborate.
32. What is your firm's policy on accepting gifts, travel reimbursements, or entertainment expenditures from investment management firms?
33. Does your firm receive any soft dollar revenues from investment managers through an affiliate broker? If so, what percentage of clients pays their consulting fees to the firm through soft dollar arrangements?
34. Does your firm manage money for clients?
35. Does your firm have outsourced chief investment officer capabilities? How are conflicts that may arise between discretionary and non-discretionary mandates identified and managed?
36. Explain in detail any potential conflict of interest which would be created by your firm's representation of RSIC. Please include any activities of your parent firm as well as other client relationships that may inhibit services to RSIC.
37. Please describe any circumstances under which your firm receives fees or other compensation from investment managers, such as membership in organizations that your firm serves as sponsor.
38. Please describe how your firm addresses actual and potential conflicts of interest between your firm and your pension fund clients.

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39. Does your firm provide money to political campaigns or lobbyists? How are contributions to political campaigns by employees monitored?
40. Does your firm have a written code of conduct or a set of standards for professional behavior? If so, how are they monitored and enforced?
41. Has your firm adopted the Code of Ethics and the Standards of Professional Conduct of the Chartered Financial Analyst Institute? If so, how is employee compliance monitored?
42. How are consultants' recommendations to clients reviewed and monitored by your organization? Does your firm adhere to a level of consistency in consultant recommendations, and if so, how is it monitored?
43. Describe your firm's quality control procedures that are designed to successfully carry out the requirements of the proposed investment consultant mandate.
44. Has your firm ever been censured by any regulatory body? If so, please explain.

**E) General Consulting Services**

45. Outline your process for analyzing a client's investment portfolio structure.
46. Discuss the theory, methodology, and process your firm uses in determining the investment strategy and asset allocation. Please include information about the asset allocation models your firm employs and a brief explanation of how you develop asset class assumptions.
47. Describe your firm's capability and experience in conducting asset-liability studies. How often do you believe such studies should be conducted?
48. How should plan liabilities, funding level, and changes in the contributions level be incorporated into the asset allocation decision?
49. In light of (a) the Great Financial Crisis of 2008 and (b) the rapid market swings experienced during 2020, has your asset allocation methodology/process for your clients changed? If so, please explain changes made to your firm's methodology/process, and rationale for the changes made. How are you advising clients now? What specific recommendations have been made and why? Please frame your answer to reflect public defined benefit plans of similar size as RSIC or plans greater or equal to \$10 billion.
50. Please indicate the asset categories in which your firm has experience and expertise.
51. What variables would your firm consider essential in reviewing and developing long-term strategies for RSIC? Are there particular actuarial results or calculations that you consider critical to the process?
52. Describe your policy for changes to a pension system's asset allocation in response to changes in the market environment.
53. Describe your methodology for identifying and evaluating new investment opportunities.
54. What is your firm's philosophy or view on the following and when are they appropriate:
  - a) Active investment management;

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- b) Passive investment management;
  - c) Commingled accounts;
  - d) Separate accounts;
  - e) Funds-of-funds;
  - f) Direct/co-investments;
  - g) Asset-based investment manager fees;
  - h) Performance-based investment manager fees;
  - i) Tactical asset allocation;
  - j) Downside risk protection;
  - k) Tail-risk protection strategies;
  - l) Quantitative/factor investing;
  - m) Fundamental investing;
  - n) Alternative investments; and
  - o) Placement agents.
55. Provide your firm's philosophy on risk. How do you define risk (e.g., standard deviation, negative returns, etc.)? How do you help clients define risk? How is risk measured?
56. Include a sample of your firm's standard performance reports and any other kinds of report samples. Is the reporting package customizable? Are there additional charges for customization? Do reports include an executive summary? If so, please include a sample. Attach all the requested documents at the end of the proposal and notate the question that it is for at the top of each page that is submitted.
57. Describe the universe peer group that would be used to compare RSIC's performance to comparable peers.
58. Describe your firm's ability to maintain an electronic interface with RSIC's custodial bank.
59. What do you see as the key risks facing public pension funds? How do you recommend large plans manage those risks?
60. What does your firm consider to be the most crucial issues regarding an investment policy for a public pension plan?
61. Provide an outline of the principal steps you typically follow when helping a client develop an investment policy.
62. Describe your process for setting benchmarks for the total fund as well as for each investment manager and asset class.
63. How does your firm approach benchmarking for private assets? Explain the pros and cons of your approach.
64. How do you propose to interface with the Retirement System's actuary or other professional advisors, such as the Portfolio custodian?

**F) Public Markets Consulting Services**

65. Describe your firm's process for the evaluation and selection of public market investment managers for a client.

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66. Describe your firm's methodology and sources of data for analyzing and evaluating a potential public market investment manager's performance.
67. Does your firm maintain, or can it otherwise provide, access to a database of investment managers and advisors? How many investment managers and advisors are contained in the database? Please separate the investment managers and advisors by portfolio, style, capitalization, and any other specialty designation (e.g., domestic equity, large capitalization, growth, etc.).
68. Describe how your firm gathers, verifies, updates, maintains, and analyzes the data collected on investment managers for the database.
69. Please describe your firm's process for providing oversight for public market investment managers for a client. Relate the process to a client's goals, objectives, and investment policy. Specifically, include the monitoring of performance, risk, style integrity, contract compliance, account restrictions, activities creating potential conflicts of interest, reporting requirements, and trading costs, including foreign exchange.
70. Describe your firm's criteria for recommending that an investment manager be placed on watch, removed from watch, or terminated. Describe your firm's process for transitioning or liquidating the assets of a terminated investment manager.
71. Please explain your due diligence process and how due diligence is performed for all investment managers?
72. What quantitative systems do you utilize to help in your investment manager screening? Which systems are purchased and which are proprietary?
73. Do you monitor your success in selecting investment managers? If so, how?
74. Besides investment returns, what key criteria does the firm consider relevant in the review of an investment manager?
75. Describe the firm's recommended process for monitoring investment managers.
76. What is the appropriate time period for evaluating an active investment manager's performance relative to their benchmarks?
77. Provide one example of a written recommendation to hire and one recommendation to terminate an investment manager that you have made to a client within the last 12 months. Include copies of supporting documentation you provided to your client. Please attach all of the requested documents at the end of the proposal, and at the top of each page submitted in response, note this question number on the top of each page that is submitted.

**G) Other**

78. Provide a list of any research reports that were prepared for your clients or the investment industry in the last 3 years using the chart below. Include the topic of the research, the name of the publication, and the date it appeared. Include samples of research reports as an attachment to the end of your

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proposal, and at the top of each page submitted in response, note this question number on the top of each page that is submitted.

Topic of the Research	Name of Publication	Publication Date

79. Include a sample of your firm’s standard reports and other documents regarding asset allocation and public markets investment manager selection. Please attach all the requested documents at the end of the proposal, and at the top of each page submitted in response, note this question number on the top of each page that is submitted.
80. Describe the firm’s process for providing investment and fiduciary education to pension plan trustees and their staffs?
81. What are the top five most important and relevant topics for board education?
82. Provide your firm’s current capital market assumptions. Has your firm revised its capital market assumptions in the past 12 months? How often are these assumptions revised? Include this information as an attachment to the end of your proposal and note the question to which it relates at the top of each page submitted.
83. Please describe your firm’s most recent policies and procedures addressing cybersecurity, business continuity and disaster recovery.
84. Please describe your emergency preparedness and backup office/computer system plans. Have you ever had to activate any aspects the plan? If so, describe the effectiveness of the plan and any post- activity modifications to that plan.
85. Describe how the firm implements and uses the latest technology and how such technology adds value to the firm’s clients. Please provide a list of any unique technology tools your firm utilizes?

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**EXHIBIT D - FEE PROPOSAL**

1. Provide your lowest proposed fees in US dollars in the format shown below. The contract’s initial term is expected to be five (5) years, with up to two, one-year renewals at the option of RSIC. The non-discretionary, limited scope consulting and advisory services set forth in the Scope of Services (Section III of this RFP), should form the basis of your proposed fees. Proposed fees must include travel, taxes, and all other expenses.

<b>Year</b>	<b>Fee</b>
Year 1	\$
Year 2	\$
Year 3	\$
Year 4	\$
Year 5	\$
Optional Renewal Year 1	\$
Optional Renewal Year 2	\$

2. Provide a list of all services and costs that may be incurred in conjunction with an investment consulting engagement not included in the annual fee retainer proposal. What is the cost to include these fees? Please list them out.
3. Are the fees presented above negotiable?
4. For services not included in Section 1 of this Exhibit D – Fee Proposal, please provide your firm’s hourly rate(s) for project consulting.

Once a consultant has been selected, negotiations of the fee may become necessary. In no case will the negotiations result in a fee that is higher than the fee contained in the proposal.

The fees charged will be for services rendered during the current Fiscal Quarter. The fees charged shall be computed quarterly at a rate of ¼ of the annual rate negotiated by Client and Consultant.

Any services which are provided to RSIC and which exceed the Scope of Services must be negotiated separately in advance of providing such service.

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**EXHIBIT E - KEY EMPLOYEE LIST**

The following is a list of Key Employees of Offeror who would directly perform services for the Commission pursuant to this Agreement:



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**EXHIBIT F – OPEN TRADE REPRESENTATION**

**OPEN TRADE REPRESENTATION**

(S.C. Code Ann. §§ 11-35-5300)

*The following representation, which is required by Section 11-35-5300(A), is a material inducement for the State to award a contract to you.*

\_\_\_\_\_  
I, the official named below, certify I am duly authorized to execute this certification on behalf of the vendor identified below, and, as of the date of my signature, the vendor identified below is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300.

<i>Vendor Name (Printed)</i>	<i>State Vendor No.</i>
<i>By (Authorized Signature)</i>	<i>Date Executed</i>
<i>Printed Name and Title of Person Signing</i>	<i>[Not used]</i>

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**EXHIBIT G - RSIC CLOUD COMPUTING SECURITY ASSESSMENT QUESTIONNAIRE**

INSTRUCTIONS: Please respond to all of the following questions with as much detail as the service provider deems necessary for RSIC to make an informed decision about the service.

1. DATA OWNERSHIP:
  - a. Will RSIC retain sole ownership of all data stored and created in the cloud?
  - b. Will there be any access to RSIC data by users other than RSIC employees? If so, please explain.
  
2. DATA PROTECTION:
  - a. How does the service provider ensure that there is no unauthorized access or use of RSIC's data (i.e., disclosure to third parties, copies created, use in test environments, etc.)?
  - b. Does the service provider limit remote access of RSIC data to personnel and contractors that are providing technical support?
  
3. DATA LOCATION:
  - a. Where will RSIC data be stored? Please include data backups and disaster recovery locations.
  
4. ENCRYPTION:
  - a. Will RSIC data be encrypted in transit? If so, please specify the type of encryption used.
  - b. Will RSIC data be encrypted at rest? If so, please specify the type of encryption used.
  - c. Will RSIC data be encrypted during backups and in storage?
  - d. What standards does the service provider use for encryption (i.e., NIST, FIPS, etc.)?
  - e. How does the service provider create and manage encryption keys?
  
5. BREACH NOTIFICATION:
  - a. How does the service provider define a breach of RSIC data?
  - b. How soon and in what form will the service provider notify RSIC of a breach of RSIC data?
  
6. CONTRACT AUDIT:
  - a. Will RSIC be permitted to audit the service provider's policies and procedures (i.e., contract terms, system security, data centers, etc.)?
  - b. Does the service provider have a service organization control report (i.e., a SOC report)? If so, please provide a copy.
  - c. Does the service provider have any other reports or certifications that further demonstrate the service provider's ability to provide confidentiality, integrity, and availability of RSIC data (i.e., ISO/IEC 27001, FISMA, FedRAMP, CJIS, etc.)? Please provide a copy of each report or certification referenced in response to this question.
  - d. Does the service provider perform system vulnerability tests and can results be made available to RSIC upon request?
  - e. Will the service provider provide RSIC, upon request, with logs and other digital records necessary to perform a forensic investigation?

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7. STAFFING:

- a. Does the service provider conduct background checks on employees and/or contractors? If so please, explain what types of employees or contractors are subject to background checks and how frequently they are performed.
- b. What, if any, other means of vetting employees are used by the service provider?
- c. Will any party other than the service provider host or have access to RSIC information? If so, please provide a list of all third parties.

8. BACKUPS:

- a. Does the service provider have a Service Level Agreement (SLA)? If so, please provide a copy.
- b. Can RSIC data be restored separately from other data?
- c. How is encryption ensured during the restoration process?
- d. Does the service provider have a Business Continuity Plan (BCP)? If so, please provide a copy or explain the service provider's BCP in detail.
- e. Does the service provider have a Disaster Recovery Plan (DRP)? If so, please provide a copy or explain the service provider's DRP in detail.
- f. Does the service provider test its BCP and DRP? If so, how frequently and provide dates for the last two tests of the BCP and the DRP.

9. SECURITY PRACTICES:

- a. Does the service provider have documented security controls based on industry standards including but not limited to the items listed below?
  - i. Firewall
  - ii. Two-factor authentication
  - iii. Security training
  - iv. Desktop protection
  - v. Whole disc encryption
  - vi. Access controls
  - vii. Physical and environmental controls
  - viii. Security log monitoring
  - ix. Patch management
  - x. Intrusion Detection System/Intrusion Prevention System
- b. What system and network activity is logged and how is it maintained? Will RSIC, upon request, have access to any of these logs?

10. TERMINATION OF SERVICE:

- a. Upon termination of the contract, what are the service provider's procedures for exporting and destroying RSIC data?
- b. Please explain the process by which RSIC data would be exported from the service provider in the event of termination or similar circumstances?
- c. How does the service provider destroy data?
- d. Does the service provider provide any certification that data has been destroyed?

11. LEGAL MATTERS:

- a. How does the service provider respond to legal requests for its data, including subpoenas, litigation holds, etc.?

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- b. What are the service provider's policies and procedures for responding to legal requests for client data, including subpoenas, litigation holds, or Freedom of Information Act (FOIA) requests?
- c. Will the service provider notify RSIC in the event of any litigation or regulatory actions against the service provider that could have a material impact on the services provided to RSIC?

12. ACCESS TO DATA:

- a. Please provide a list of the service provider's employee types that will have access to RSIC data, the number of such employees, and the level of access each requires.
- b. Please provide a list of the service provider's contractors that will have access to RSIC data, the number of such contractor's employees with access to RSIC data, and the level of access each requires.
- c. Does the service provider follow the practice of least privilege?
- d. Does the service provider have segregation of duties?

13. SOFTWARE DEVELOPMENT:

- a. What method of software development does the service provider utilize (i.e., SDLC, OWASP, SAMM, etc.)?
- b. Does the service provider provide notification to clients prior to upgrades and changes to the system?

14. DATA AVAILABILITY:

- a. What is the service provider's expected up-time for RSIC access to the service?
- b. Does the service provider's service have regular maintenance windows, and if so, what are they?

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**ATTACHMENT A - IMPORTANT TAX NOTICE - NONRESIDENTS ONLY**

Withholding Requirements for Payments to Nonresidents: Section 12-8-550 of the South Carolina Code of Laws requires persons hiring or contracting with a nonresident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the nonresident. The withholding requirement does not apply to (1) payments on purchase orders for tangible personal property when the payments are not accompanied by services to be performed in South Carolina, (2) nonresidents who are not conducting business in South Carolina, (3) nonresidents for contracts that do not exceed \$10,000 in a calendar year, or (4) payments to a nonresident who (a) registers with either the S.C. Department of Revenue or the S.C. Secretary of State and (b) submits a Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to the person letting the contract.

The withholding requirement applies to every governmental entity that uses a contract (“Using Entity”). Nonresidents should submit a separate copy of the Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to every Using Entity that makes payment to the nonresident pursuant to this solicitation. Once submitted, an affidavit is valid for all contracts between the nonresident and the Using Entity, unless the Using Entity receives notice from the Department of Revenue that the exemption from withholding has been revoked.

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Section 12-8-540 requires persons making payment to a nonresident taxpayer of rentals or royalties at a rate of \$1,200.00 or more a year for the use of or for the privilege of using property in South Carolina to withhold 7% of the total of each payment made to a nonresident taxpayer who is not a corporation and 5% if the payment is made to a corporation. Contact the Department of Revenue for any applicable exceptions.

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For information about other withholding requirements (e.g., employee withholding), contact the Withholding Section at the South Carolina Department of Revenue at 803-898-5383 or visit the Department’s website at [www.sctax.org](http://www.sctax.org).

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This notice is for informational purposes only. This agency does not administer and has no authority over tax issues. All registration questions should be directed to the License and Registration Section at 803-898-5872 or to the South Carolina Department of Revenue, Registration Unit, Columbia, S.C. 29214-0140. All withholding questions should be directed to the Withholding Section at 803-898-5383.



STATE OF SOUTH CAROLINA  
 DEPARTMENT OF REVENUE  
**NONRESIDENT TAXPAYER  
 REGISTRATION AFFIDAVIT  
 INCOME TAX WITHHOLDING**

**1-312**  
 (Rev. 6/26/01)  
 332.3

The undersigned nonresident taxpayer on oath, being first duly sworn, hereby certifies as follows:

1. Name of Nonresident Taxpayer: .....
2. Trade Name, if applicable (Doing Business As):

\_\_\_\_\_

3. Mailing Address: - - - - -

4. Federal Identification Number: - - - - -

5. \_\_\_\_\_ Hiring or Contracting with:  
 Name: \_\_\_\_\_

Address: .....

\_\_\_\_\_ Receiving Rentals or Royalties From:  
 Name: \_\_\_\_\_

Address: - - - - -

\_\_\_\_\_ Beneficiary of Trusts and Estates:  
 Name: \_\_\_\_\_

Address: - - - - -

6. I hereby certify that the above named nonresident taxpayer is currently registered with (check the appropriate box):  
 The South Carolina Secretary of State or  
 The South Carolina Department of Revenue  
 Date of Registration: .....

7. I understand that by this registration, the above named nonresident taxpayer has agreed to be subject to the jurisdiction of the South Carolina Department of Revenue and the courts of South Carolina to determine its South Carolina tax liability, including estimated taxes, together with any related interest and penalties.

8. I understand the South Carolina Department of Revenue may revoke the withholding exemption granted under Code Sections 12-8-540 (rentals), 12-8-550 (temporarily doing business or professional services in South Carolina), and 12-8-570 (distributions to nonresident beneficiary by trusts or estates) at any time it determines that the above named nonresident taxpayer is not cooperating with the Department in the determination of its correct South Carolina tax liability.

The undersigned understands that any false statement contained herein could be punished by fine, imprisonment or both.

Recognizing that I am subject to the criminal penalties under Code Section 12-54-44 (B) (6) (a) (i), I declare that I have examined this affidavit and to the best of my knowledge and belief, it is true, correct and complete.

\_\_\_\_\_ (Seal) \_\_\_\_\_  
 Signature of Nonresident Taxpayer (Owner, Partner or Corporate Officer, when relevant) Date

If Corporate officer state title: \_\_\_\_\_

\_\_\_\_\_  
 (Name - Please Print)

# 2022 Commission Meeting Strategic Calendar

Month	Meeting Title	Agenda Item
March 3	Capital Market Expectations Review	Target Portfolio Review
		AIP Introduction
		Quarterly Investment Performance Review
		Asset Class Deep Dive - Bonds
		Delegated Investment Report
		Strategic Investment Topic Presentation
		Current AIP Progress Review
		Actuarial Update
April 21	Macro-Economic Presentation	AIP Approval
		Asset Class Deep Dive - Real Assets
		Delegated Investment Report
		Strategic Investment Topic Presentation
		Infrastructure Business Plan Review (every 3 years)
		Fiduciary Training (every 2 years)
June 2	Quarterly Investment Performance Review	Asset Class Deep Dive - Private Equity
		Delegated Investment Report
		Strategic Investment Topic Presentation
		Current AIP Progress Review
		Commissioner Self-Evaluation
		Legislative Update
		General Investment Consultant Performance Review
		Chair/Vice-Chair Selection (every 2 years)
		ALM Study and Asset Allocation Review (every 5 years)
September 8	FY End Investment Performance Review	Asset Class Deep Dive - Public Equity
		Delegated Investment Report
		Strategic Investment Topic Presentation
		Annual Budget Approval
		Current AIP Progress Review
December 1	Asset Class Deep Dive - Private Debt	SIOIP Review
		Commission Provides AIP Direction
		Current AIP Progress Review
		Strategic Investment Topic Presentation
		Delegated Investment Report