

REQUEST FOR PROPOSAL
for
REAL ESTATE INVESTMENT MANAGEMENT SERVICES

The Somerville Retirement Board (SRB) is seeking proposals (Core, Core Plus, Value Added and Opportunistic strategies) from qualified Real Estate Investment Managers for an investment allocation of up to approximately \$15 - \$25 million on behalf of the SRB, with specific experience and expertise representing Massachusetts public retirement boards or systems (and/or other private-sector clients). The SRB serves as the pension system for the City of Somerville and the Somerville Housing Authority.

Preference will be given to the registered real Estate Investment Managers possessing knowledge and proficiency with MGL Chapter 32, as amended by Chapter 176 of the Acts of 2011, and PERAC Regulations at 840 CMR.

The information submitted in the proposal, including experience, qualifications, investment return history and fee schedule will be reviewed for the purpose of selecting a firm to provide Real Estate Investment Management services. Favorable fees, performance and strategy will be a factor in the selection process; however, the manager's experience, qualifications, resources, and level of proposed services will be key factors in determining the selected vendor.

A contract will be awarded and stated in accordance with MGL Chapter 32 and all applicable investment guidelines administered by PERAC.

I. General Information and Bid Submission Requirements

- Submissions must be received prior to 1:00 PM EST **Wednesday, September 4, 2024** by the Somerville Retirement Board at 323 Broadway, Somerville, Massachusetts 02145 ("Submission Deadline")
- Qualified and Selected firms may be interviewed at the Board's discretion on a date set by the Board.
- The Board intends to award a contract on or before December 1, 2024. The System may cancel this Request for Proposal ("RFP"), or reject in whole or in part any and all submissions, if the Board determines that cancellation or rejection serves the best interests of the System. The term of agreement will include the full scope of services in this Request for Proposal and the term of the contract shall be negotiated at the time of vendor selection. The Board reserves the right to terminate the contract for any reason on thirty (30) days written notice.
- If any changes are made to this RFP, an addendum will be issued. Addenda will be mailed or e-mailed to all individuals or firms on record as having responded to this RFP.
- Questions concerning this RFP must be submitted in writing to: Michael Pasquariello, Executive Director, Somerville Retirement Board, 323 Broadway, Somerville, Massachusetts 02145 no later than 1:00 PM (EST) on or before August 12, 2024. Questions

may be hand-delivered, mailed or emailed. Written responses will be mailed or emailed to all individuals or firms on record.

- An individual or firm may correct, modify, or withdraw a bid by written notice received by the Board prior to the Submission Deadline. Modifications must be submitted in a sealed envelope clearly labeled "Modification No. ___." Each modification must be numbered in sequence and must reference the original submission.
- After the Submission Deadline, provisions of the bids may not be changed in a manner prejudicial to the interests of the System or fair competition. The submission cost proposal must remain firm for 120 days after the Submission Deadline.
- **Please provide 2 hard copies of the submission along with ONE complete electronic or digital version on a flash drive. A complete digital version (1 PDF file) emailed to mpasquariello@somervillema.gov is required.**
- Please provide a copy of a sample contract.
- Please provide a completed and executed Vendor TIN Certification form, PERAC Vendor Disclosure form, Vendor Certification form, Vendor Contact Information form and Placement Agent Statement.
- Please ensure that **"Real Estate Investment Management Services RFP" & "Price Proposals" are submitted in Separate Sealed envelopes.** Any Real Estate Investment Management Services Proposal received with Price Proposal information shall be cause for rejection.
- The envelopes should be marked:

RESPONSE TO REQUEST FOR PROPOSAL – TECHNICAL PROPOSAL: REAL ESTATE INVESTMENT MANAGEMENT SERVICES

SUBMITTED BY _____

RESPONSE TO REQUEST FOR PROPOSAL – PRICE PROPOSAL: REAL ESTATE INVESTMENT MANAGEMENT SERVICES

SUBMITTED BY _____

- The bid must be signed by the authorized individual(s).
- Proposals shall be opened in the presence of one (1) or more witnesses in the Somerville Retirement Board Office, 323 Broadway, Somerville, Massachusetts 02145 no earlier than September 5, 2024 at 1:00 PM (EST).
- The selected Real Estate Investment Manager must file all disclosures as required by the Public Employee Retirement Administration Commission (PERAC) as part of the RFP process. These disclosures include a disclosure of arrangements for compensation paid or

to be paid to the manager or a related person in connections with the services the manager provides to the retirement board or any other client; a disclosure of compensation in whatever form paid or expected to be paid by the manager or a related person to others in relation to the services provided to the retirement board or any other client; and a disclosure of any conflict of interest that the manager may have that may interfere with the ability of said manager to provide unbiased and objective services to the SRB.

II. Disqualification of Responses

- Late Responses: Responses that are received after the deadline date and time shall be automatically disqualified.
- Collusion: Collusion by two or more bidders agreeing to act in a manner intended to avoid or frustrate fair and open competition is prohibited and shall be grounds for rejection or disqualification of a proposal or termination of this contract.
- Debarred Bidders: A bidder, who is currently subject to any city, state, or federal debarment order or determination, shall not be considered for evaluation.

III. Candidate Questionnaire

1. List the name of your firm, address and telephone number of the home office, and address of the office(s) providing services under the contract.
2. Provide a general description of the firm including size, number of employees, primary business, other businesses or services, and type of organization (franchise, partnership, corporation, etc.)
3. Identify the staff that will render services under the contract, including a summary of their professional qualifications and experiences, and any specific experience providing Real Estate investment management services to public pension systems created by M.G.L. c. 32 and other private clients.
4. Identify the staff that would have direct contact with the Board.
5. Identify professional personnel who would perform work under the contract, including a summary of their professional qualifications and experience.
6. State the availability and location of staff and other required resources for performing all services responsive to this RFP and whether to perform the services described in the RFP, current staff is capable of performing said duties.
7. Identify the M.G.L. c. 32 public pension plans for which the individual(s) identified in items # 3 and # 4 above have provided Real Estate investment management services within the last three (3) years. Provide the name, title, address and telephone number of the person responsible for the administration of each plan.

8. List any formal complaints, claims, legal actions or other proceedings filed with the regulatory agencies, administrative agencies, arbitrators or courts against individuals or the entity as a result of pension legal services provided by the firm and/or its staff within the last five (5) years.

IV. Scope of Services

The System is a Massachusetts Retirement System created pursuant to M.G.L. c. 32, §§ 1-28 inclusive, and governed by the rules and regulations promulgated by the Public Employee Retirement Administration Commission ("Commission"). The System is comprised of member units with a total membership of 2,460 as of July 30, 2024 including 1,501 active members and 959 retirees or survivors. The System is directed by 5 Board members and employs 3 full time staff members. The SRB serves as the pension system for the City of Somerville and the Somerville Housing Authority.

The Somerville Retirement Board (SRB) is seeking proposals from qualified, registered Real Estate investment managers/firms to manage the SRB's allocation to Real Estate in accordance with the preferred Minimum Qualifications listed below on behalf of the SRB.

The Managers responsibility will be to serve the Board its fiduciary capacity regarding these funds. The Investment Manager will be required to meet with the Board at regular intervals and to report to the Board at least monthly on the portfolio.

SCOPE OF WORK

At the discretion of the SRB, the Investment Manager will provide the SRB with the opportunity to invest its allocation funds to comingled or separate Real Estate strategies.

The investment manager will obtain a high total investment return and capital appreciation through a core, core plus, value added or opportunistic strategy. Multiple, separate strategies may be submitted.

The SRB will invest approximately \$15 - \$25 million of the SRB's ~\$427 million of system assets.

The Manager shall meet with the Board to review the fund performance on at least an annual basis.

B. Special Provisions:

The proposal may cover any areas which you deem to be relevant. The Proposer will be expected to provide the following to the Board:

- Provide a summary of related Real Estate investment management experience including a list of relevant clients in the last five years in addition to current and former Massachusetts public retirement board or system clients. Said list should include the commencement date and end date of representation with each client.

- Provide the name and brief biographical sketches of the proposed management team including, but not limited to, years as fund manager, education, size of portfolios historically managed, and other relevant background information.
- Describe the firm's policy on fee rate increases, if applicable.
- Provide only the specific strategy data that you are proposing: annualized Gross and Net Returns for **one, three, five and ten-year time periods**. (only present data and returns for the specific strategy that you are submitting)
- Describe any potential conflicts of interest, whether past or pending, which exist with the SRB or its members.
- Describe the firm's cyber security policy and liability insurance coverage.

The separate information relative to fees should:

- List all fees and all details of tiered fee schedule, if applicable.
- Describe the firm's billing procedure, i.e. monthly, bi-monthly or otherwise.

V. MANDATORY CONTRACT TERMS

Massachusetts General Laws Chapter 32 Section 23B requires that each contract with an "investment service provider" include certain mandatory terms and conditions, which must be agreed to by the contractor as part of this RFP process. The relevant terms of the statute are:

"(k) (1) In the event of a competitive process to select an investment service provider the request for proposals shall include mandatory contractual terms and conditions to be incorporated into the contract including provisions:

(a) Stating that the contractor is a fiduciary with respect to the funds which the contractor invests on behalf of the Retirement Board;

(b) Stating that the contractor shall not be indemnified by the Retirement Board;

(c) Requiring the contractor to annually inform the commission and the Board of any arrangements in oral or in writing, for compensation or other benefit received or expected to be received by the contractor or a related person from others in connection with the contractor's services to the Retirement Board or any other client;

(d) Requiring the contractor to annually disclose to the commission and the Retirement Board compensation, in whatever form, paid or expected to be paid, directly or indirectly, by the contractor or a related person to others in relation to the contractor's services to the Retirement Board or any other client; and,

(e) Requiring the contractor to annually disclose to the commission and the Retirement Board in writing any conflict of interest the contractor may have that could reasonably be expected to impair the contractor's ability to render unbiased and objective services to the Retirement Board. Other mandatory contractual terms and conditions shall

address investment objectives, brokerage practices, proxy voting and tender offer exercise procedures, terms of employment and termination provisions.

(f) A Retirement Board shall not award a contract for a term exceeding 7 years, including any renewal, extension or option; provided, however, that a Retirement Board may participate in a limited partnership, trust or other entity with a term for a period longer than 7 years as part of an investment of system assets.”

In addition, each contract shall secure the agreement of the manager in the final written agreement between the Retirement Board and the manager to provide the Retirement Board with the following remedies in the event the manager knew or should have known of any material inaccuracy or omission in the placement agent information disclosure or any other violation of this policy:

- (a) Whichever is greater, the reimbursement of any management or advisory fees paid by the Board for the prior two years or an amount equal to the amounts paid or promised to be paid to the placement agent as a result of the Board investment;
- (b) The authority to immediately terminate the investment management contract or other agreement with the manager without penalty, to withdraw without penalty from a limited partnership, limited liability company or other investment vehicle, or to cease making further capital contributions (and paying any fees on these recalled commitments) to the limited partnership, limited liability company or other investment vehicle without penalty; and,
- (c) Provisions requiring the manager to annually inform PERAC and the Board of any arrangements in oral or in writing, for compensation or other benefit received or expected to be received by the manager or a related person from others in connection with the managers’ services to the Board or any other client, provisions requiring the manager to annually disclose to PERAC and the Retirement Board any compensation, in whatever form, paid or expected to be paid, directly or indirectly, by the manager or a related person to others in relation to the managers’ services to the Board or any other client, and provisions requiring the manager to annually disclose to PERAC and the Board in writing any conflict of interest the manager may have that could reasonably be expected to impair the manager’s ability to render unbiased and objective services to the Board.

Each contract shall secure the agreement of the manager in the final written agreement between the Board and the manager that the manager shall be solely responsible for, and the Board shall not pay (directly or indirectly), any fees, compensation or expenses for any placement agent used by the manager. All contracts must be in writing and no payment may be made for a service rendered prior to execution of a contract. A contract made in violation of these provisions is not valid and the Retirement Board will not make any payments under such a contract. Any person conspiring to cause a contract to be solicited or awarded in violation of these provisions will pay to the Retirement Board not more than \$2,000 for each violation. In addition, such a person will pay the Retirement Board double the amount of damages sustained by the Retirement Board as a result of the violation.

The contract's indemnification language shall be as follows.

Neither the Client, nor its Board and fiduciaries, jointly and severally, shall be liable for any acts or omissions of the Investment Manager, and neither the Client, nor its Board and fiduciaries, shall be under any obligation or duty to invest, reinvest, manage, control or dispose of the Account. The Investment Manager assumes liability for, and agrees to indemnify and hold harmless the Client and the Board from and against, any demand, liability, suit, damage, loss, judgment, or other claim of any nature, equitable or otherwise, arising out of any negligence, malfeasance, or bad faith by the Investment Manager in the performance of its duties hereunder, and for any losses, penalties, costs or damages caused or suffered by the Investment Manager's failure to perform its duties in accordance with M.G.L. c. 32 and the investment regulations promulgated by the Public Employee Retirement Administration Commission ("PERAC"), including but not limited to the fiduciary standards established under M.G.L. c. 32, § 23 and 840 C.M.R. 17.00, or any applicable law, or by its failure to comply with the provisions of the Advisers Act, as amended, the Securities Exchange Act of 1934, as amended, or with the regulations or rules of the Securities and Exchange Commission promulgated thereunder, or with other applicable laws. The foregoing indemnity includes providing for the Client's and the Board's defense, including reasonable attorney's fees, with attorneys reasonably satisfactory to the Client and the Board.

The Investment Manager shall not be indemnified by the Client. The applicability of any such indemnification of a contractor by a retirement board is prohibited per M.G.L. c. 32 § 23B.

The fiduciary duty language shall be as follows:

The Investment Manager is a fiduciary with respect to the funds it invests on behalf of the Client per M.G.L. c. 32 § 23B. The Investment Manager represents, warrants, and agrees that the Investment Manager, and any investment advisor employed in connection with this Fund, is a fiduciary with respect to the Fund, which includes the assets invested by the Client, and will discharge its duties to the Fund, including the assets invested by the Client, with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims and investment policies.

The Representations and Warranties section shall include the following language.

The Investment Manager represents and warrants that:

- (a) it is duly registered with the Securities and Exchange Commission as a registered Investment Advisor under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and agrees to notify the undersigned promptly of any change in such registration, including any suspension, revocation or pending revocation of such registration;
- (b) it is a fiduciary with respect to the Fund and assumes the duties, responsibilities and obligations of a fiduciary under M.G.L. c. 32; and
- (c) it will comply with the requirements the M.G.L. c. 32 § 23 and 840 CMR 16.00 through 25.00.

VI. Evaluation of Proposals

- The contract shall be awarded to the responsible and responsive proposer, whose proposal is deemed most advantageous to the Somerville Retirement Board, taking into consideration the evaluation criteria set forth below and the price set forth in the Price Proposal.
- The Somerville Retirement Board will consider each manager's environmental, social, and governance (ESG) practices and policies.
- The Proposals shall be evaluated by the Somerville Retirement Board and staff based on the criteria contained herein.
- A contract of up to 7 years will be awarded to the responsive and responsible proposer whose proposal is determined to be most advantageous taking into consideration cost, performance and evaluative criteria.
- The Somerville Retirement Board will evaluate the proposals in accordance with PERAC rating system of highly advantageous, advantageous, not advantageous and unacceptable based on the evaluation criteria. The Retirement Board will then develop a composite rating. The Retirement Board may select a short list of firms to be interviewed.
- The Somerville Retirement Board reserves the right to request additional information or clarifications to any proposal. The Somerville Retirement Board reserves the right to reject any and all proposals and to award a contract as determined to be in the best interests of the Somerville Retirement System. The determination as to whether or not to make an award as a result of this RFP shall be at the sole and absolute discretion of the Somerville Retirement Board.
- All proposals shall remain firm for one hundred and twenty (120) calendar days after the proposal opening.
- Any proposal designated as the apparent winning proposal shall be subject to a vote of the Somerville Retirement Board and the execution of an acceptable written agreement.

Preferred MINIMUM Qualifications - provide documentation demonstrating your compliance with each qualification or reference the page number within your proposal that this documentation can be located.

Any proposer submitting a proposal should satisfy the following preferred minimum qualifications. **Proposals which do not demonstrate compliance with the PREFERRED MINIMUM qualifications may not be further considered:**

1. Must possess and demonstrate a strong knowledge and proficiency compliance with MGL Chapter 32, as amended by Chapter 176 of the Acts of 2011, and PERAC Regulations at 840 CMR;
2. Proposer must agree to the required contract language described above and provide the required PERAC disclosures on its Vendor Contact Information Form, Vendor

Certification, Vendor Disclosure Form and Placement Agent Statement attached here to;

3. Must be registered (with the SEC);
4. At least five (5) years of real estate investment management experience (or at least that many years of experience of at least two of the firm's Principals); and;
5. The Proposer must maintain all necessary liability coverages and that such coverage will be applicable to the Proposer's actions under this RFP and Agreement.

Comparative Evaluation Criteria - provide documentation demonstrating your compliance with each criteria or reference the page number within your proposal this documentation can be located.

1. Experience providing real estate investment management to Massachusetts public employee retirement boards.

Highly Advantageous: The Proposer has ten (10) or more MA public pension systems and/or has gained five (5) or more such clients in the last two years.

Advantageous: The Proposer has five (5) or more MA public pension systems and has gained two (2) or more such clients in the last two years.

Not Advantageous: The Proposer has less than five (5) MA public pension systems.

Unacceptable: The Proposer does not have any MA public pension systems and/or has lost two (2) or more such clients in the last two years.

2. Length of experience as a real estate investment manager to Massachusetts public employee retirement boards.

Highly Advantageous: The Proposer has managed real estate for fifteen (15) or more years to MA public pension system.

Advantageous: The Proposer has managed real estate for ten (10) or more years to MA public pension systems.

Not Advantageous: The Proposer has managed real estate for less than five (5) years to MA public pension systems.

Unacceptable: The Proposer has not managed real estate for MA public pension systems for any period of time.

3. Quality of fund management and breadth of Real Estate investment opportunities.

Highly Advantageous: The Proposer has demonstrated in their proposal that they possess sufficient staff and resources to provide the retirement board with real estate investment

management services and opportunities that are superior to those required in the Scope of Services section of this RFP in a timely fashion.

Advantageous: The Proposer has demonstrated in their proposal that they possess sufficient staff and resources to provide the retirement board with real estate investment management services and opportunities that meet all of the requirements in the Scope of Services section of this RFP in a timely fashion.

Not Advantageous: The Proposer has not adequately demonstrated in their proposal that they possess sufficient staff and resources with real estate investment management services and opportunities that meet the requirements in the Scope of Services section of this RFP.

Unacceptable: The Proposer has not demonstrated in any manner in their proposal that they possess sufficient staff and resources with real estate investment management services and opportunities that meet the requirements in the Scope of Services section of this RFP.

4. Quality of the Proposal.

Highly Advantageous: The Proposer has submitted a proposal that is exceptionally complete in all respects, follows the organization of the RFP and responds to all requirements. The Proposal is clear, concise and easy to understand.

Advantageous: The Proposer has submitted a proposal that is complete in all respects, generally follows the organization of the RFP and responds to all requirements.

Not Advantageous: The Proposer has submitted a proposal that is nearly complete in all respects, although it does not follow the organization of the RFP and responds to most of the requirements.

Unacceptable: The Proposer has submitted a proposal that is not complete in all respects, does not follow the organization of the RFP and responds to some of the requirements.

5. Qualifications of fund management services.

Highly Advantageous: The Proposer has demonstrated in their proposal that they possess the technical qualifications to provide the retirement board with real estate investment management services that are superior to those required in the Scope of Services section of this RFP.

Advantageous: The Proposer has demonstrated in their proposal that they possess sufficient technical qualifications to provide the retirement board with real estate investment management services that meets all of the requirements in the Scope of Services section of this RFP.

Not Advantageous: The Proposer has not adequately demonstrated in their proposal that they possess sufficient technical qualifications to provide the retirement board with real estate

investment management services that meet the requirements in the Scope of Services section of this RFP.

Unacceptable: The Proposer has not demonstrated in their proposal that they possess the technical qualifications to provide the retirement board with real estate investment management services that meet the requirements in the Scope of Services section of this RFP.

6. Performance of REAL Estate investment management services.

Highly Advantageous: The Proposer has demonstrated in their proposal that they have achieved significantly superior gross and/or net returns over the past 1, 3, 5 and 10-year time periods compared to the benchmark.

Advantageous: The Proposer has demonstrated in their proposal that they have achieved higher gross and/or net returns over the past 1, 3, 5 and 10 year time periods compared to the benchmark.

Not Advantageous: The Proposer has demonstrated in their proposal that they have not achieved higher gross and/or net returns over the past 1, 3, 5 and 10 year time periods compared to the benchmark.

Unacceptable: The Proposer has demonstrated in their proposal that they have achieved lower gross and/or net returns over the past 1, 3, 5 and 10 year time periods compared to the benchmark.

7. Fees.

Highly Advantageous: The Proposer has submitted a total fee proposal that is significantly lower than most of all the other proposers.

Advantageous: The Proposer has submitted a total fee proposal that is lower than most/some of all the other proposers.

Not Advantageous: The Proposer has submitted a total fee proposal that is higher than most/some all of the other proposers.

Unacceptable: The Proposer has submitted a total fee proposal that is higher than all/most of the other proposers.

All Finalists may be required to appear for an interview at the Board's discretion.

VII. Cost Proposal

Please provide in a separate envelope marked "PRICE PROPOSAL" your fee for providing the above services.

"RFP Real Estate Investment Management Services"

Name of Firm and individual(s) submitting bid: _____
(Please Print)

Contact Person _____

Address: _____

Telephone: _____

E-mail address: _____

Fee Descriptions	% or Flat amount (\$)	Notes (please provide any additional information pertaining to each fee structure)
Fee One:		
Fee Two (if applicable):		
Fee Three (if applicable):		

Work under this RFP is expected to begin December 1, 2024. All proposals should include a firm fee schedule for seven (7) years. Please provide a detailed, comprehensive list of all fees/rates and administrative costs (if applicable).

REFERENCES

Provide a minimum of (4) references that can be contacted, including their contact information.

VIII. Certification

An individual or entity responding to this RFP must certify in writing as follows:

“The undersigned certifies under penalties of perjury that this proposal has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word “person” shall mean a natural person, business, partnership, corporation, union, committee, club or other organization, entity or group of individuals.

(Signature of individual submitting proposal)

(Name of business)

Somerville Retirement Board
323 Broadway
Somerville, MA 02145

(617) 764-3811

retirement@somervillema.gov

EDWARD F. BEAN, CHAIRMAN
THOMAS ROSS, VICE CHAIRMAN
DAVID CASTELLARIN

MICHAEL MASTROBUONI
JOHN M. MEMORY

Vendor TIN Certification

The vendor certifies that it has provided the SRS with an accurate tax identification number (TIN). In the event that the SRS is fined by the IRS for an incorrect TIN provided by the vendor, the vendor agrees to reimburse the SRS for the amount of the fine.

TIN

Signature

Printed Name of Person signing

Company

Date



Vendor Contact Information

Please print or type all entries in blue or black ink.

Fund Name:

Name of Retirement Board: Somerville

1. Company/Entity Information:

Company/Entity Name:

CRD# (If Applicable):

Address:

City:

State:

Zip:

Country:

Phone:

Fax:

URL:

2. Contact Information:

Name, First:

Last:

Suffix:

Title:

Department:

Phone:

Fax:

Email:

3. Contact Address:

Same as Company Address? ☐ No ☐ Yes

Address:

City:

State:

Zip:

Country:



Vendor Disclosures (as required by G.L. c. 32 §23 & 23B)

Please submit completed form and any attachments to PERAC and the retirement board on or before March 1st. Failure to do so may subject the Fund/Entity to sanctions pursuant to Chapter 32, Section 21A. Please attach additional sheets if necessary.

Please print or type all entries in blue or black ink.

1. Vendor/Board Information

Name of Company/Entity: _____

Name of Fund: _____

Retirement Board: Somerville

2. Compensation PAID: ☐ No ☐ Yes

Recipient of Compensation	Form of Compensation	Value of Compensation

Additional Pages Attached: ☐ No ☐ Yes

3. Compensation RECEIVED: ☐ No ☐ Yes

Source of Compensation	Form of Compensation	Value of Compensation

Additional Pages Attached: ☐ No ☐ Yes

4. Conflict of Interest? ☐ No ☐ Yes

If yes, please advise: _____

Additional Pages Attached: ☐ No ☐ Yes

5. Declaration and Signature

I make this disclosure pursuant to G.L. c.32, §23 and/or 23B in order to comply with the requirement that an entity providing investment services to a retirement board disclose to the Commission and the retirement board compensation, in whatever form, paid, or expected to be paid, and received, or expected to be received, directly or indirectly by the entity or a related person to others in connection with the entities services to the retirement board or any other client to whom the same service is provided. In addition, I make this disclosure of any conflict of interest that may have or could reasonably be expected to impair the ability to render unbiased and objective advice to the retirement board.

Name, First: _____

Last: _____

Suffix: _____

Title: _____

Signature: _____

Date: _____



Placement Agent Statement For Investment Managers

Please print or type all entries in blue or black ink.

PERAC Guidelines require investment managers to submit information to the retirement board regarding relationships with placement agents. For purposes of this process, the following definitions apply:

"Manager", investment partners with whom retirement boards do business, including, but not limited to, general partners, investment managers, sponsors of hedge funds, private equity funds, real estate funds, infrastructure funds and any entity which a retirement board delegates discretionary investment authority.

"Placement agent", any person or entity hired, employed, engaged, retained by or acting on behalf of or otherwise receiving remuneration from a manager or another placement agent as a finder, solicitor, marketer, consultant, broker or other intermediary in relation to the investment of assets of Massachusetts public pension systems, including any person or entity which provides proactive consultant services concerning the changing political and policy environment in New England and nationally as it relates to retirement plans, notwithstanding the description of such services as informational consulting services only not involving the referral of investment advisory services, provided, however, this policy shall not apply with respect to in house employees of investment managers.

Name of Retirement Board: Somerville

Name of Investment Manager:

Reason for Submission:

- ☒ Responding to an RFP or solicitation
- ☐ Amendment to an existing agreement
- ☐ Discussion other than informal, general discussion that could lead to a response to an RFP or amendment to an existing agreement

PENALTIES

PERAC shall withhold regulatory approvals and acknowledgments if:

- a. The placement agent and/or entity acting as a placement agent information disclosure or other information reveals that the placement agent and/or entity acting as a placement agent that the manager has used is not registered with the Securities and Exchange Commission or the Financial Industry Regulatory Authority or, if appropriate, the Commodity Futures Trading Commission; and,
- b. The placement agent and/or entity acting as a placement agent information disclosure or other information reveals that the placement agent does not possess three years experience in the investment field.

PERAC shall prohibit any manager or placement agent from soliciting new investments from any board for a period to be determined by the Commission after the manager or placement agent has committed a material violation of this regulation.

In addition, under the mandatory provisions of contracts the following remedies are available to the retirement board if "the manager knew or should have known of any material inaccuracy or omission in the placement agent information disclosure or any other violation" of the Placement Agent Policy:

- a. The reimbursement of any management or advisory fees paid by the board for the prior two years or an amount equal to the amounts paid or promised to be paid to the placement agent as a result of the board investment whichever is greater.
- b. The authority to immediately terminate the investment management contract or other agreement with the manager without penalty, to withdraw without penalty from a limited partnership, limited liability company or other investment vehicle, or to cease making further capital contributions (and paying any fees on these recalled commitments) to the limited partnership, limited liability company or other investment vehicle without penalty.

COMPENSATION

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(1) Has the Investment Manager or any, employee, agent or affiliate compensated or agreed to compensate, directly or indirectly any person or entity to act as a placement agent in connection with investment by the Massachusetts public pension systems?

☐ No ☐ Yes

(2) If yes, please provide (below or in an attachment) a description of any and all compensation of any kind provided or agreed to be provided to a placement agent and/or entity acting as a placement agent in connection with investment by Massachusetts' public pension systems, including the nature, timing and value thereof.

Additional Pages Attached: ☐ No ☐ Yes

(3) If yes, please provide a statement (below or in an attachment) that the placement agent has a minimum of three years experience in the investment field.

Additional Pages Attached: ☐ No ☐ Yes

(4) If yes, please provide a statement (below or in an attachment) that the placement agent and/or entity acting as a placement agent is registered with the Securities and Exchange Commission or the Financial Industry Regulatory Authority, or, if appropriate, the Commodity Futures Trading Commission and the details of such registration.

Additional Pages Attached: ☐ No ☐ Yes

(5) If yes, please attach a resume for each placement agent detailing the person's education, professional designations, regulatory licenses and investment and work experience. If any such person is a current or former member of a retirement board, employee or consultant or immediate family of such a person that fact should be specifically noted.

Additional Pages Attached: ☐ No ☐ Yes



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(6) If **yes**, please provide a description of the services (below or in an attachment) to be performed by the placement agent and/or entity acting as a placement agent and a statement as to whether the placement agent is used by the manager with all prospective clients or only a subset of clients or only Massachusetts public pension fund clients.

Additional Pages Attached: ☐ No ☐ Yes

(7) If **yes**, please attach a written copy of any and all agreements between the manager and the placement agent and/or entity acting as a placement agent in connection with investment by Massachusetts' public pension systems.

Additional Pages Attached: ☐ No ☐ Yes

(8) If **yes**, in the event that any current or former Massachusetts public pension system board members, employees, consultants or other service providers have suggested the retention of the placement agent, the names of any current or former Massachusetts public pension system board members, employees, consultants or other service providers who suggested the retention of the placement agent (below or in an attachment).

Additional Pages Attached: ☐ No ☐ Yes

I attest under the penalties of perjury that the above statements and statements provided in attachments, if any, are true.

Name of Authorized Individual. First:

Last:

Suffix:

Title of Authorized Individual:

Signature of Authorized
Individual:Date
Signed:



Vendor Certification

In all circumstances Massachusetts Law (Chapter 32, Section 23B) requires service providers to complete this form and submit it to the retirement board. The board must file the completed form with PERAC. In the case of investment managers upon acknowledgement from PERAC that this and other filings have been received, the board may retain the service provider.

Please print or type all entries in blue or black ink.

1. Retirement Board

Retirement Board to which proposal is being submitted: Somerville

2. Service Provider

Business Name:

Address:

City:

State:

Zip:

Services Being Proposed:

Dates of Services (MM/DD/YYYY)

From:

To:

3. Individual Submitting Proposal

Name, First:

Last:

Suffix:

Title:

The undersigned certifies that this proposal has been made and submitted in good faith and without collusion or fraud with any person. As used in this certification, the word "person" shall mean a natural person, business, partnership, corporation, union, committee, club or other organization, entity or group of individuals.

Signature:

Date: