



STATE OF TENNESSEE  
DEPARTMENT OF TREASURY

**REQUEST FOR PROPOSALS # 30901-62626  
AMENDMENT # 2  
GENERAL INVESTMENT CONSULTANT SERVICES**

**DATE: August 14, 2025**

**RFP # 30901-62626 IS AMENDED AS FOLLOWS:**

1. This RFP Schedule of Events updates and confirms scheduled RFP dates. Any event, time, or date containing revised or new text is highlighted.

EVENT	TIME (central time zone)	DATE	UPDATED OR CONFIRMED
1. RFP Issued		July 24, 2025	CONFIRMED
2. Disability Accommodation Request Deadline	2:00 p.m.	July 29, 2025	CONFIRMED
3. Pre-response Teleconference	10:00 a.m.	July 30, 2025	CONFIRMED
4. Notice of Intent to Respond Deadline	2:00 p.m.	July 31, 2025	CONFIRMED
5. Written "Questions & Comments" Deadline	2:00 p.m.	August 7, 2025	CONFIRMED
6. State Response to Written "Questions & Comments"		August 14, 2025	CONFIRMED
7. Response Deadline	2:00 p.m.	August 21, 2025	CONFIRMED
8. State Completion of Technical Response Evaluations		September 3, 2025	CONFIRMED
9. State Schedules Oral Presentations with Finalists (if desired at the discretion of the State)		September 4, 2025	CONFIRMED
10. Finalist Oral Presentations (if needed at the discretion of the State)	8:00 a.m. – 4:30 p.m.	September 15 and 16, 2025	CONFIRMED
11. State completion of oral presentation evaluations		September 17, 2025	CONFIRMED
12. State Opening & Scoring of Cost Proposals		September 18, 2025	CONFIRMED
13. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection		September 29, 2025	CONFIRMED
14. End of Protest Period		October 6, 2025	CONFIRMED
15. State sends contract to Contractor for signature		October 7, 2025	CONFIRMED
16. Contractor Signature Deadline	2:00 p.m.	October 10, 2025	CONFIRMED

**2. State responses to questions and comments in the table below amend and clarify this RFP.**

Any restatement of RFP text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFP document.

QUESTION / COMMENT	STATE RESPONSE
1 Are manager searches run through a public procurement process?	Yes
2 How many different quarterly performance reports will we need to provide? Will private markets reports need to be provided separately? If so, how many? Are monthly “flash” reports to be provided as well?	<p>The consultant prepares performance reports for these funds:</p> <p>TCRS TN Promise OPEB QSCB K-12 COE 401(k)/457(b) TNStars/ABLE TN ORP</p> <p>This does not include the private market reports. The data for performance from private markets comes from the private market consultants and is provided to the general consultant for the TCRS report.</p> <p>There are monthly flash reports for TCRS, OPEB, TN Promise, QSCB, K-12 and COE.</p>
3 How often (i.e., how many times per year) will the consultants be expected to attend meetings in person? Can you share the 2025 and 2026 meeting dates?	<p>Typically, consultants attend the four TCRS board meetings per year in person. They can attend meetings for other programs (TN Promise, OPEB, 401(k)/457(b), ORP, TNStars/ABLE TN, etc.) virtually. We do not have TCRS meetings scheduled for 2026, however, we will likely have those meetings on the second Friday of the third month of a quarter. These are: March 13, 2026, June 12, 2026, September 11, 2026, and December 11, 2026. These are estimates.</p>
<p>4 <b>Contractor would like to request the following changes or additions to the proposed Contract</b></p> <p><b>.Responsibility of Contractor</b></p> <p>Contractor shall have no responsibility or authority to (i) manage or in any way direct the investment of any assets of</p>	<p>See Section 3 below for an amendment to add Section A.27 to the <i>Pro Forma</i> Contract, RFP Attachment 6.6.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>State or (ii) enter into any agreement with any investment manager on behalf of, or otherwise bind, State. Nothing contained herein shall require State to engage any investment manager recommended by Contractor or to follow any advice provided by Contractor.</p>	
<p>5 <b>Contractor would like to request the following changes or additions to the proposed Contract</b></p> <p><b>Acknowledgments</b></p> <p>State acknowledges and agrees that:</p> <ul style="list-style-type: none"> <li>a. Contractor has not made and cannot make any promise, guarantee or other statement or representation regarding the future investment performance of State;</li> <li>b. the past performance of the accounts of other clients of Contractor is not necessarily indicative of the future performance of State;</li> <li>c. in the performance of its services under this Agreement, Contractor shall be entitled to rely on information furnished by investment managers, it being understood that</li> </ul> <p>Contractor shall have no liability for the accuracy or completeness of any information furnished or representation made by the investment managers, provided Contractor</p> <p>conducted due diligence and evaluation of such investment managers with reasonable care;</p> <ul style="list-style-type: none"> <li>d. to the extent permitted by applicable law, Contractor will not be liable for any losses or expenses incurred as a result of any action or omission by an investment manager, custodian or unrelated third party;</li> <li>e. with respect to funds-of-funds, if applicable, Contractor's analysis will be conducted at the fund-of-funds level and will not generally include a direct review of underlying funds; and</li> <li>f. Contractor's services do not include tax or regulatory advice, or interpretation of legal documents.</li> </ul>	<p>See Section 3 below for an amendment to add Section A.27 to the <i>Pro Forma</i> Contract, RFP Attachment 6.6.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>6 <b>Contractor would like to request the following changes or additions to the proposed Contract</b></p> <p><b>Indemnification from costs associated with Subpoenas</b></p> <p>Except to the extent prohibited by applicable law, State shall indemnify, defend and hold harmless Consultant from and against any and all costs and expenses as incurred in connection with the Contractor's response to subpoenas, investigations, audits and other inquiries made with respect to State by third parties (including without limitation attorneys' fees and other costs associated with reviewing and producing documents and other materials).</p>	<p>The State respectfully declines to make this change. As a sovereign, the State is prohibited by law from agreeing to indemnification or hold harmless provisions.</p>
<p>7 <b>Contractor would like to request the following changes or additions to the proposed Contract</b></p> <p><b>Miscellaneous Terms</b></p> <p>Contractor shall be permitted to give advice and take action with respect to State which differs from the advice made or recommended or actions taken with respect to such other accounts and clients even though the investment objectives may be the same or similar.</p> <p>Nothing in this Agreement shall limit or restrict Contractor or any of its shareholders, officers or employees from buying, selling, or trading in any securities for their own account or accounts, subject to Contractor's obligations as an SEC-registered entity and the restrictions set forth in Contractor's Code of Ethics and Personal Trading Policy. State acknowledges that Contractor and its shareholders, officers, affiliates and employees, and its other clients, may at any time have, acquire, increase, decrease, or dispose of positions in investments which are at the same time being acquired or disposed of for State.</p>	<p>The State respectfully declines to make this change.</p>
<p>8 <b>Contractor would like to request the following changes or additions to the proposed Contract</b></p> <p><b>Electronic Signatures and Records</b></p> <p>Both the Contractor and State consent to the use of electronic signatures. This</p>	<p>The State respectfully declines to make this change. Electronic signatures are acceptable.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>Agreement, and any other documents requiring a signature hereunder, may be signed electronically. The Parties agree not to deny the legal effect or enforceability of the Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the basis that it is an electronic record or electronic signature or that it is not in its original form or is not an original.</p>	
<p>9 What are your reasons for conducting this RFP for investment consulting services?</p>	<p>Generally, the State's practice is to issue a competitive procurement near the end of the contract term. The contract terms are generally five (5) years.</p>
<p>10 What is your frequency of board (and investment committee, if applicable) meetings? And what are your requirements for the investment consultant to attend/participate in these meeting? If available, could you provide dates of meetings (requiring consultant attendance) for the coming year?</p>	<p>See answer to Item #3 above.</p>
<p>11 Are there any other scheduled meetings (eg, manager/vendor onsites) requiring the consultants' attendance?</p>	<p>Nothing scheduled. We do have monthly and quarterly review of investment managers. These are virtual meetings.</p>
<p>12 Are you able to disclose the fees paid to your current consultant? If so, to what extent is the scope of services consistent with those stated in the current RPF?</p>	<p>The current contract with the general investment consultant, including all contract amendments, is attached and describes the scope of services and current fees.</p>
<p>13 Are there any expected changes (eg, asset allocation, investment managers) that are not reflected in the current investment program?</p>	<p>The State does not anticipate dramatic structural changes, however, we will perform an asset/liability study and changes could be made at that time.</p>
<p>14 Are there any notable evaluations or topics being reviewed by the Board, Investment Committee and/or Staff?</p>	<p>The State is exploring the unitization of the TCRS asset classes.</p>
<p>15 Can you describe the composition of your board membership?</p>	<p>Please visit the Tennessee Department of Treasury website for information about board membership. The</p>

QUESTION / COMMENT	STATE RESPONSE
	TCRS board membership is detailed at the following address: <a href="https://treasury.tn.gov/TCRSBoard">https://treasury.tn.gov/TCRSBoard</a>
16 Can you describe the structure of your investment staff?	The investment team is aligned into functional groups by investment asset class and includes an operations team.
17 Do you retain other consultants to assist with your investment program? If so, what services do they provide?	Yes, Aksia consults on the Private Equity and Strategic Lending portfolios. RCL Co. assists with the Real Estate portfolio.
18 When is the last time you conducted a custody services review?	The State recently completed a custody RFP.
19 Does the mandate include private markets?	See response to Item #17 above.
20 For private markets, what level of performance reporting do you desire?	See response to Item #2 above. The private market consultants generate detailed performance reports, and the top-level figures are then shared with the general consultant.
21 For private markets, do you take consultant manager recommendations or is the consultant asked to due diligence one-off managers that staff identifies?	See response to Item #19 above.
22 How are investment manager searches conducted; does internal staff have hire/fire authority?	Staff works in coordination with the consultant on generating a pool of manager candidates and then vetting those advisors through a competitive process. Staff, in association with the consultant, recommends the manager line-up to the Treasurer for approval.
23 How many public market searches do you typically do in a year?	The State typically hires managers for five-year terms and that will dictate the timing of searches.
24 Please provide an electronic copy or link to the most recently completed actuarial valuation report.	The actuarial valuation reports are in the meeting materials (December 6, 2024 and March 7, 2025) located at the following address:  <a href="https://treasury.tn.gov/Retirement/Boards-and-Governance/Board-Meetings/TCRS-Board-Meetings-Archives">https://treasury.tn.gov/Retirement/Boards-and-Governance/Board-Meetings/TCRS-Board-Meetings-Archives</a>

QUESTION / COMMENT	STATE RESPONSE
<p>25 When is the last time you conducted an asset liability study? If possible, could you provide a copy of the most recent report?</p>	<p>The last asset liability study was conducted after the last investment consulting RFP in 2020.</p> <p>The State respectfully declines to produce this documentation.</p>
<p>26 Could you provide a copy of your investment policy statement and latest quarterly performance report.</p>	<p>The investment policies are included as attachments to the RFP. For example, the TCRS Investment Policy is Attachment 6.7.</p> <p>The last performance report can be found at the following address:  <a href="https://treasury.tn.gov/Portals/0/Documents/Retirement/Board%20Meetings/06-06-25/TCRS_SummaryReport_Q1-2025.pdf">https://treasury.tn.gov/Portals/0/Documents/Retirement/Board%20Meetings/06-06-25/TCRS_SummaryReport_Q1-2025.pdf</a></p>
<p>27 Please clarify the number of required customer references. In Question B.18, p. 29, it says we must have “two ( 2) DB accounts Respondent currently services that are similar in size to the State; and one (1) DC account Respondent currently services similar in size to the State,” for a total of 3 references.</p> <p>However, on Attachment 6.4, the Reference Questionnaire, p. 42, the directions ask for references from “two (2) contracts Respondent currently services that are similar in size and scope to the services required by this RFP; and three (3) completed contracts that are similar in size and scope to the services required by this RFP,” which is a total of 5 references.</p> <p>How many references do we need for Attachment 6.4?</p>	<p>The information in Question B.18 is correct requesting a total of three (3) references.</p> <p>See Section 4 below for an amendment to RFP Attachment 6.4.</p>
<p>28 When are the Investment Committee meetings for the remainder of 2025 and into 2026? Does the general consultant routinely meet with and present to the Board?</p>	<p>See response to Item #3 above.</p>
<p>29 We understand that 60% of the consultant’s efforts/resources will be devoted to Tennessee Consolidated Retirement System and 40% on all other funds. Thank you for providing that information. How does this translate into Investment Committee and/or Board meetings and presentations? Is the GC</p>	<p>See response to Item #3 above.</p> <p>The State does not typically have external subject matter experts attend meetings.</p>

QUESTION / COMMENT	STATE RESPONSE
expected to bring subject matter experts to each meeting?	
30 When was the last asset liability study and what is the typical frequency of such studies?	See response to Item #25 above.
31 What are the current fees for the general investment consulting contract? Do the investment services currently provided by the current general investment consultant meaningfully differ from the scope of services described in this RFP? Are the fees broken out by funds (retirement system, DC, 529)	See response to Item #12 above.
32 Within the last three years, have there been any "Other Significant Projects" that required a Memorandum of Understanding (MOU) to be added to the contract? If so, please provide a brief description of the "Other Significant Projects".	Yes, one was an asset/liability study for the OPEB program. That led to a change in asset allocation and investment policy.
33 What strategic decisions are currently pending with the current consultant that the new consultant would likely become involved with? Can you provide insight into your short term objectives and planned initiatives over the next 12-18 months?	The State is exploring the unitization of the TCRS asset classes.
34 What is the most important investment issue your fund is currently facing?	The fund is well balanced with respect to risk and return expectations so there is not a specific issue that overwhelms everything else.
35 Does the current advisor advise all funds mentioned in the RFP? If not, which funds are excluded from this mandate?	Yes, but the State does not utilize consulting services for the SPIF/LGIP.
36 Is the Scope of services intended to include manager research due diligence services for hedge funds and/or other forms of marketable alternatives?	No
37 How are investment manager searches conducted (excluding alternatives)? Over the past three years how many searches have been conducted?	See response to Item #22 above.
38 Can you clarify the below as there are two different requests for the reference comments? Are respondents required to	See response to Item #27 above.



QUESTION / COMMENT	STATE RESPONSE
<p>submit reference questionnaires for both of these customer reference requests?</p> <p>Section B-18 of the Technical Response and Evaluation Guide reads:</p> <p>B. 18. Provide customer references from individuals who are not current or former State employees for projects similar to the services sought under this RFP and which represent:</p> <ul style="list-style-type: none"> <li>• two (2) DB accounts Respondent currently services that are similar in size to the State; and</li> <li>• one (1) DC account Respondent currently services similar in size to the State.</li> </ul> <p>While the Reference Questionnaire reads:</p> <p>Provide references from individuals who are not current State employees of the procuring State Agency for projects similar to the goods or services sought under this RFP and which represent:</p> <ul style="list-style-type: none"> <li>• two (2) contracts Respondent currently services that are similar in size and scope to the services required by this RFP; and</li> <li>• three (3) completed contracts that are similar in size and scope to the services required by this RFP.</li> </ul>	
<p>39 What is the expected frequency of the Asset Allocation Study Services?</p>	<p>Typically, every five years for TCRS.</p>
<p>40 Are you able to disclose the number of Investment Manager searches that were performed in 2024?</p>	<p>There were none.</p>
<p>41 Should RFP Attachment 6.2 – Section D, (page 36 Oral Presentation Items) be included in the RFP response or is it relevant only to the finalists?</p>	<p>Section D will be used after finalists are selected. You do not need to include answers to the Section D items in your proposal response.</p>
<p>42 Regarding the Pro Forma Contract, we would like the opportunity to discuss particular sections with the State, such as Sections A.17, A.20, and D.32. Are you open to that as part of our proposal submission or would you rather we wait till a later date, if we are awarded?</p>	<p>No. The opportunity to request changes to the contract terms is during this Question and Comments period. The State will not agree to substantive changes after this time.</p> <p>For Section A.20, see Section 5 below for an amendment to Section A.20 of the <i>Pro Forma</i> Contract, RFP Attachment 6.6.</p>

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43 What are you paying the current consultant for general consulting services across all plans within scope?	See response to Item #12 above.
44 Can you share any insights on the reason for your investment consultant search? Are there any services that you are not currently receiving that you would like?	See response to Item #9 above.
45 What are the biggest concerns for the State of Tennessee in its investment portfolios?	Our concerns would mirror our peers. Risk and return of the portfolio. Costs, headline issues, etc.
46 The Scope of Services says the Contractor may attend up to 4 in-person meetings per year in Nashville. Will you require travel for other reasons, such as manager due diligence visits? Do you permit virtual attendance by meeting participants?	See response to Items #10 and #11 above.
47 What are the expected dates of formal Board Meetings? Are there separate formal meetings of sub-committees and staff?	We do have separate investment and board meetings for TCRS, however they run sequentially and typically do not last more than 3 hours a quarter.
48 Can you provide a list of current investment managers?	<p>The current list is in our investment reports online and our annual report.</p> <p><a href="https://treasury.tn.gov/Portals/0/Documents/Retirement/Board%20Meetings/06-06-25/TCRS_SummaryReport_Q1-2025.pdf">https://treasury.tn.gov/Portals/0/Documents/Retirement/Board%20Meetings/06-06-25/TCRS_SummaryReport_Q1-2025.pdf</a></p> <p><a href="https://treasury.tn.gov/Portals/0/Documents/Retirement/CAFR%20Reports/2023/2023TCRSReport_Full%20Report.pdf">https://treasury.tn.gov/Portals/0/Documents/Retirement/CAFR%20Reports/2023/2023TCRSReport_Full%20Report.pdf</a></p>
49 How much of the fund's investments are internally managed? What is your expectation for consultant coverage of internally managed strategies?	<p>We manage approximately 60% of the assets internally.</p> <p>We expect the consultant to provide services to improve the management and oversight of the internal strategies.</p>
50 Who is the record-keeper for the defined contribution plans?	<p>Empower (401(k)/457(b))</p> <p>TIAA, Voya (ORP)</p> <p>Ascensus (TNStars/ABLE TN)</p>
51 Do you offer guaranteed income or in-plan annuity options in the defined contribution plans?	No
52 Proposed contract exceptions:	The State respectfully declines.

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<p>Section D.32. <i>Insurance</i> (Contract page 65) requires all policy deductibles over \$50,000 be approved by the State. Our E&amp;O retention (deductible) is higher than \$50,000 and is in line with our company size and industry standards. A \$50,000 deductible on a \$25 million E&amp;O policy is not commercially reasonable. Would the State consider an E&amp;O deductible higher than \$50,000 and/or provide an exception for the required amount?</p>	
<p>53 Proposed contract exceptions:</p> <p>Would the State accept the removal of line item 1) ii c. <i>Professional Liability Insurance</i> under Section D.32. <i>Insurance</i> (Contract page 66), which states: "Insurance must be maintained and evidence of insurance must be provided for at least five (5) full years from the date of the final Contract payment"?</p>	<p>The State respectfully declines.</p>
<p>54 Proposed contract exceptions:</p> <p>Would the State accept the following amendment to Section A.16. <i>Representations and Warranties</i> (Contract page 51) given that the Contractor generally cannot represent that real or perceived conflicts are not present in its various lines of business: "The Contractor represents and warrants that (1) although it does not anticipate any conflict of interest which would prevent it from fulfilling its obligations to perform the services under this Contract..."?</p>	<p>The State respectfully declines. Section A.16 indicates the Contractor shall promptly notify the State in writing if any of the above representations change or cease to be true and correct in all respects.</p>
<p>55 Proposed contract exceptions:</p> <p>With regards to section A.20. <i>Ownership of Materials</i> (Contract page 54), the Contractor cannot grant ownership of its work product, as certain deliverables such as reports are not bespoke and are used across multiple clients; provided that the Contractor shall grant the State a perpetual license to use, distribute, reproduce and use the reports, data, materials, etc., provided to the State in connection with the services. Would the State accept the removal of the following provision: "All records, reports, documents, or other material related to this Contract and/or obtained or prepared by the Contractor in connection with the performance of the services hereunder</p>	<p>See Section 5 below for an amendment to Section A.20 of the <i>Pro Forma</i> Contract, RFP Attachment 6.6.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>shall become the property of the State, and shall, upon request, be transmitted by the Contractor to the State, at the Contractor's expense, at termination or expiration of this Contract or at such earlier time as the State may request"?</p>	
<p>56 Proposed contract exceptions:</p> <p>Would the State accept the following amendment to Section D.19. <i>Hold Harmless</i> (Contract page 62): "The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all losses, which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of the Contractor's bad faith, gross negligence, or willful misconduct in connection with this Agreement"?</p>	<p>The State respectfully declines.</p>
<p>57 What is the fee being paid to the current general consultant for servicing all of the asset pools?</p>	<p>See response to Item #12 above.</p>
<p>58 Are all of the asset pools overseen by the same Investment Committee? Are they reviewed in the same quarterly meetings?</p>	<p>There are separate investment committees. TCRS is the key investment committee.</p>
<p>59 How many of the non-US Equity managers' contracts utilized by TCRS are set to expire over the next five years?</p>	<p>All twelve (12) of the managers contracts will expire over the next five years.</p>
<p>60 Could you provide the most recent asset/liability study for TCRS and the most recent asset allocation studies for TN Promise, OPEB, COE, K-12 and QSCB.</p>	<p>The State respectfully declines to produce this documentation.</p>
<p>61 Add to A.6.a.</p> <p><u>a. General Consulting, Education and Research Services.</u> At the State's request, the Contractor shall conduct in-depth research, and analysis on pension, endowment, defined contribution and investment issues requested by the State as it relates to the Funds. The research shall include current industry trends and developments, accounting, regulatory and legal changes relative to pensions, endowments, defined contribution plans</p>	<p>See Section 3 below for an amendment to add Section A.27 to the <i>Pro Forma</i> Contract, RFP Attachment 6.6.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>and investments. The Contractor shall provide technical advice as requested by the State, either orally or in writing, in connection with miscellaneous problems and questions that may arise from time to time relative to pensions, endowments, defined contribution plans and investments. The Contractor shall also provide continuing education on pensions, endowments, defined contribution plans and investments to the State through educational conferences, research projects and surveys, access to the Contractor's research and white papers and such other means as is agreed upon by both Parties from time to time. The Contractor shall also assist the State in drafting policies, procedures, and guidelines relative to the Funds at the request of the State. <u>Notwithstanding anything to the contrary herein, Contractor shall not be responsible for providing legal, tax, accounting or regulatory advice.</u></p>	
<p>62 Add to A.8.b.</p> <p>In the event the State elects to acquire additional external international investment managers under this Section A.8, the Contractor shall promptly advise the State of any indirect interest it may have in any individual, association, corporation, or product which may be so acquired by the State. The Contractor shall have no direct interest in any individual, association, corporation, or product which may be so acquired by the State. "Direct interest" means any contract with the Contractor itself or with any business in which the Contractor is the sole proprietor, a partner, or the entity having the controlling interest, i.e., largest number of outstanding shares owned by any single individual or corporation. "Indirect interest" means any contract in which the Contractor is interested but not directly so. <u>Notwithstanding the foregoing, Contractor may have contracts with investment managers in the ordinary course of business wherein the managers purchase research-based reporting, education and analytical services or in the event Contractor provides services to an investment manager's retirement plan. In no event does Contractor receive</u></p>	<p>The State respectfully declines because the State feels the language adequately addresses the expectations of the State.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>payments from investment managers for recommending them to State.</p>	
<p>63      <u>A.17.    Back-up Procedures and Disaster Recovery.</u></p> <p>The Contractor shall maintain business interruption plans in the event of a loss of the Contractor's principal place of business due to natural or manmade causes, including back-up systems for data and other records, office space and other technology needed to perform the services hereunder. The Contractor shall resume services hereunder <del>within seventy-two (72) hours of</del> as soon as reasonably practical the disaster or malfunction. The Contractor shall provide notification of an incident to the State <del>within two (2) hours promptly</del> after the beginning of operation of the Contractor's <del>Emergency Operations Command Post</del>. Contingency plans to the extent that such plans impact Contractor's services to State.</p> <p><u>Note to State: We believe these revisions are reasonable given the types of services Vendor provides.</u></p>	<p>The State respectfully declines to make this change.</p>
<p>64      <u>A.18.    On-Site Visits.</u></p> <p><del>At such time and date reasonably agreed by the parties.</del> The the State or its duly appointed representatives shall be entitled to visit the Contractor's operational headquarters or other offices where the State's account is serviced and to examine all records pertaining to the account, and to make reasonable request for copies of such records.</p>	<p>See Section 6 below for an amendment to add Section A.18 to the <i>Pro Forma</i> Contract, RFP Attachment 6.6.</p>
<p>65      <u>A.19.    Transfer of Contractor's Obligations.</u></p> <p><u>Note to State: Vendor would seek State's consent prior to transferring a contract pursuant to a change in control/merger, so this section is likely unnecessary.</u></p>	<p>The State respectfully disagrees.</p>
<p>66      <u>A.20.    Ownership of Materials.</u> All records, reports, documents, or other material related to this Contract and/or obtained or prepared by the Contractor in connection with the performance of the services hereunder shall become the</p>	<p>See response to Item #55 above.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>property of the State, and shall, upon request, be transmitted by the Contractor to the State, at the Contractor's expense, at termination or expiration of this Contract or at such earlier time as the State may request <b>provided that Contractor may retain such documents as required by Contractor's bona fide document retention policies and/or routine electronic archiving processes.</b></p>	
<p>67 <u>A.21. Transition of Services Upon Termination.</u> Upon the natural expiration of this Contract or in the event of its termination for any reason, the Contractor shall transfer, in accordance with the State's instructions, all historical performance data on the Funds' investment operations to whomever the State may designate in writing to the Contractor. Such data shall be furnished to the State's written designee in a standard electronic format within thirty (30) calendar days after the State's written request. The Contractor agrees to <b>reasonably</b> cooperate with the State, and any subsequent contractor selected by the State to perform the services hereunder, in the transition and conversion of the services hereunder, <b>provided that Contractor shall be paid a reasonable fee mutually agreed between the parties for such transition services.</b> The Contractor shall remain liable to the State under this Contract for any <b>losses arising from Contractor's negligent</b> acts or omissions occurring on or prior to the date on which all such data and all services hereunder have been successfully transferred or converted in accordance with this Paragraph.</p>	<p>The State respectfully declines. The State expects respondents to incorporate any costs into their cost proposal.</p>
<p>68 <u>C.5. Invoice Requirements.</u></p> <p>Note to State: We expect that we can comply with most of the invoicing requirements but would like to reserve the right to further comment subject to discussions with Vendor's finance department and to create an invoice and timing process that is acceptable to both parties.</p>	<p>The State respectfully declines.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>69 D.11 Records.</p> <p>Note to State: Vendor retains client records for 7 years in accordance with our document retention policy.</p>	<p>Noted.</p>
<p>70 <u>D.19. Hold Harmless.</u></p> <p>The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys' fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract.</p> <p>In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.</p> <p>Notwithstanding the foregoing. Contractor shall discharge its duties as a consultant in accordance with the terms of this Agreement and applicable law. State acknowledges and agrees (i) that Contractor has no authority or responsibility to manage or in any way direct the investment of any assets that are the subject of Contractor's consulting services provided under the terms of this Agreement, (ii) that Contractor has not and cannot make</p>	<p>See Section 3 below for an amendment to add Section A.27 to the <i>Pro Forma</i> Contract, RFP Attachment 6.6.</p>



QUESTION / COMMENT	STATE RESPONSE
<p>any promise, guarantee or other statement or representation regarding the future investment performance of such assets, and (iii) that Contractor will not be liable for any losses or expenses incurred as a result of any action or omission by an investment manager, custodian or other related third party.</p>	
<p>71 D.20 <u>HIPAA Compliance</u>. Note to State: Vendor does not require any personal information and/or health information so would not expect to be required to sign a Business Associate Agreement in connection with this agreement.</p>	<p>The State notes your comment and points out that Section D.20 (HIPAA Compliance) starts with “As applicable,”.</p>
<p>72 D.32. <u>Insurance</u>. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require additional insurance coverage, coverage amounts, and endorsements required under this Contract. Contractor’s failure to maintain or submit evidence of insurance coverage, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall immediately notify the State. All insurance companies providing coverage must be: (a) acceptable to the State; (b) authorized by the Tennessee Department of Commerce and Insurance (“TDCI”); and (c) rated A- / VII or better by A.M. Best. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to name the State as an additional insured on any insurance policy with the exception of workers’ compensation (employer liability) and professional liability (errors and omissions) insurance. All policies <b>except professional liability</b> must contain an endorsement for a waiver of subrogation in favor of the State. Any deductible or self insured retention (“SIR”) over fifty thousand dollars (\$50,000) must be approved by the State. The deductible or SIR and any premiums are the Contractor’s sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do</p>	<p>The State respectfully declines to make this change.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.</p>	
<p>73 D.34. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.</p> <p>Notwithstanding the foregoing, information shall not be considered Confidential Information to the extent that such information: (i) is already known to Contractor free of any restriction at the time it is obtained from State; (ii) is subsequently learned from an independent third party free of any known restriction and without breach of this Agreement; (iii) becomes publicly available through no wrongful act of Contractor; (iv) is independently developed by Contractor without reference to any Confidential Information of State; or (v) is required to be disclosed by law, regulation, court order or subpoena, provided that XXXX will exercise reasonable efforts to notify State prior to disclosure.</p>	<p>The State respectfully declines to make this change.</p>
<p>74 Note to State: Sections E.6. - E.10. are standard Vendor disclosures.</p> <p>E.6. <u>Fiduciary Status. During the performance of such services</u></p>	<p>See response to Item #5 above. For the items not incorporated, the Contractor is allowed to submit any such documentation to the State.</p>

QUESTION / COMMENT	STATE RESPONSE
<p>by Contractor, State will retain and exercise all decision-making authority with respect to the management and administration of the Funds and investments relating thereto.</p> <p>E.7. <u>Policy Regarding Securities Advice.</u> Contractor shall not be responsible for reviewing or advising on the merits or risks of individual securities or derivatives holdings or purchase, sale or hedging strategies, the propriety of an individual security or derivative within a manager's investment management mandate, or on the conformity of individual securities holdings with State investment policy and guidelines. Contractor shall not be responsible for providing advice to plan participants or beneficiaries.</p> <p>E.8. <u>Form ADV.</u> State acknowledges receipt of XXXX's disclosure statement, Form ADV, Parts 2A and 2B, which contain information regarding XXXX's services, fees, business practices and the background of its advisory persons.</p> <p>E.9. <u>Contractor's Investment Manager Client List Disclosure.</u> State acknowledges receipt of XXXX's disclosure list of investment manager clients no later than the date of the execution of this Agreement.</p> <p>E.10. <u>ERISA Section 408(b)(2) Fee Disclosure.</u> State acknowledges receipt of Contractor's fee disclosure statement under the Employee Retirement Income Security Act of 1974.</p>	

**3. Add the following as Section A.23. to the *Pro Forma* Contract, RFP Attachment 6.6:**

**A.23 Acknowledgements**

State acknowledges and agrees that:

- a. Contractor has not made and cannot make any promise, guarantee or other statement or representation regarding the future investment performance of such assets of the State;
- b. the past performance of the accounts of other clients of Contractor is not necessarily indicative of the future performance of State;
- c. in the performance of its services under this Agreement, Contractor shall be entitled to rely on information furnished by investment managers, it being understood that Contractor shall have no liability for the accuracy or completeness of any information furnished or representation made by the investment managers, provided Contractor conducted due diligence and evaluation of such investment managers with reasonable care;
- d. to the extent permitted by applicable law, Contractor will not be liable for any losses or expenses incurred as a result of any action or omission by an investment manager, custodian or unrelated third party;
- e. with respect to funds-of-funds, if applicable, Contractor's analysis will be conducted at the fund-of-funds level and will not generally include a direct review of underlying funds;
- f. Contractor's services do not include tax or regulatory advice, or interpretation of legal documents;
- g. Contractor shall have no responsibility or authority to manage or in any way direct the investment of any assets of State;
- h. Contractor shall have no responsibility or authority to enter into any agreement with any investment manager on behalf of, or otherwise bind, State. Nothing contained herein shall require State to engage any investment manager recommended by Contractor or to follow any advice provided by Contractor; and
- i. Contractor has no authority or responsibility to manage or in any way direct the investment of any assets that are the subject of Contractor's consulting services provided under the terms of this Contract.

**4. Delete the first three paragraphs of RFP Attachment 6.4, in its entirety, and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

**The standard reference questionnaire provided on the following pages of this attachment should be completed by all individuals offering a reference for the Respondent.**

The Respondent will be solely responsible for obtaining completed reference questionnaires as detailed below. Provide references from individuals who are not current State employees of the procuring State Agency for projects similar to the goods or services sought under this RFP and which represent:

- two (2) DB accounts Respondent currently services that are similar in size to the State; and two (2) contracts Respondent currently services that are similar in size and scope to the services required by this RFP; and
- one (1) DC account Respondent currently services similar in size to the State. ~~three (3) completed contracts that are similar in size and scope to the services required by this RFP.~~

References from at least three (3) different individuals are required to satisfy the requirements above, e.g., an individual may provide a reference about a completed project and another reference about a currently serviced account. The individual contact reference provided for each contract or project shall not be a current State employee of the procuring State agency. Procuring State agencies that accept references from another State agency shall document, in writing, a plan to ensure that no contact is made between the procuring State agency and a referring State agency. The standard reference questionnaire, should be used and completed, and is provided on the next page of this RFP Attachment 6.4.

**5. Delete Section A.20 of the *Pro Forma Contract*, RFP Attachment 6.6 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

A.20. Ownership of Materials. All records, reports, documents, or other material related to this Contract and/or obtained or prepared by the Contractor in connection with the performance of the services hereunder shall become the property of the State, and shall, upon request, be transmitted by the Contractor to the State, at the Contractor's expense, at termination or expiration of this Contract or at such earlier time as the State may request. Notwithstanding the foregoing, the Contractor shall be and remain the sole owner of all research materials developed by the Contractor that are also intended to be used for other clients of the Contractor; provided, however, the State shall not be restricted in any manner from continuing to use the research materials after the expiration of this Contract and the Contractor shall be deemed to have granted the State a non-exclusive right to use the research material.

**6. Delete Section A.18 of the *Pro Forma Contract*, RFP Attachment 6.6 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

On-Site Visits. At such time and date reasonably agreed by the parties, the State or its duly appointed representatives shall be entitled to visit the Contractor's operational headquarters or other offices where the State's account is serviced and to examine all records pertaining to the account, and to make reasonable request for copies of such records.

**7. Delete Section B.15 of RFP Attachment 6.2 in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):**

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Provide documentation of the Respondent's commitment to diversity as represented by the following:

(a) Business Strategy. Provide a description of the Respondent's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please also include a list of the Respondent's certifications as a diversity business, if applicable.

(b) Business Relationships. Provide a listing of the Respondent's current contracts with business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises. Please include the following information:

(i) contract description;

(ii) contractor name and ownership characteristics (i.e., ethnicity, gender, service-disabled veteran-owned or persons with disabilities);

(iii) contractor contact name and telephone number.

(c) Estimated Participation. Provide an estimated level of participation by business enterprises owned by minorities, women, service-disabled veterans, persons with disabilities and small business enterprises if a contract is awarded to the Respondent pursuant to this RFP. Please include the following information:

(i) a percentage (%) indicating the participation estimate. (Express the estimated participation number as a percentage of the total estimated contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics only and **DO NOT INCLUDE DOLLAR AMOUNTS**);

(ii) anticipated goods or services contract descriptions;

(iii) names and ownership characteristics (i.e., ethnicity, gender, service-disabled veterans, or disability) of anticipated subcontractors and supply contractors.

NOTE: In order to claim status as a Diversity Business Enterprise under this contract, businesses must be certified by the Governor's Office of Diversity Business Enterprise (Go-DBE). Please visit the Go-DBE website at <https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810> for more information.

(d) Workforce. Provide the percentage of the Respondent's total current employees by ethnicity and gender.

NOTE: Respondents that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and subcontractors. Response evaluations will recognize the positive qualifications and experience of a Respondent that does business with enterprises owned by minorities, women, service-disabled veterans, persons with disabilities, and small business enterprises and who offer a diverse workforce.

8. **Delete Section E.2. of the Pro Forma Contract, RFP Attachment 6.6, in its entirety and insert the following in its place** (any sentence or paragraph containing revised or new text is highlighted):

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Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's Response to RFP # 30901-62626 (Attachment 6.2, Section B.15) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a monthly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, service-disabled veterans, and persons with disabilities. Such reports shall be provided to the State of Tennessee Governor's Office of Diversity Business Enterprise in the TN Diversity Software available online at: <https://tn.diversitysoftware.com/FrontEnd/StartCertification.asp?TN=tn&XID=9810>.

9. **RFP Amendment Effective Date.** The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFP not expressly amended herein shall remain in full force and effect.