

Oklahoma Firefighters Pension and Retirement System
Large Cap Value RFP Questions Submitted by Managers

1. Section V, Question C Please submit a sample copy of your contract if you are proposing a separate account and copies of all of your offering material if you are proposing a commingled fund (i.e., prospectus, private placement memorandum, Operating Agreement, etc.).

Is this a document that should be included with our response to the RFP? How in depth should this sample be?

Yes, please provide a sample contract or offering material with your RFP response. It is anticipated that the sample provided will contain all material terms found in a typical agreement that you would enter into with an institutional client.

2. Tab 12 – Portfolio Characteristics: For 1-yr Earnings Growth (Actual) <10, 10% - 20% and > than 20%, are you looking for a portfolio breakdown by earnings growth rate?

Yes. For example, what percentage of the portfolio has an earnings growth rate less than 10%?

3. Tab 14 – Performance: You have only requested monthly performance through 12/31/2009. Would you like it to be updated through 3/31/2011?

Please provide performance data through 3/31/2011

4. Tab 15 – Dispersion: Would you like us to provide the information for the quarter ended March 31st or for one year from March 31st of the previous year to March 31st of the following year?

Please provide one year data as of March 31, 2011, March 31, 2010 and March 31, 2009.

5. Tab 14 – Performance: Would you like us to provide the gross of fees or net of fees or both?

Please provide gross of fee returns

6. Is there a predilection against hiring a manager with less than your \$250 million AUM?

It is desirable, but not a minimum requirement, that the investment firm have in excess of \$250 million invested in the proposed strategy.

7. Does Oklahoma State or Oklahoma Firefighters Pension and Retirement System give any preference to Minority Owned Business Enterprise pension managers?

No preference is given to Minority Owned Business Enterprise pension managers.

8. Our standard investment management agreement contains the following provision:
Liability: Duty of Care. Except as otherwise provided by law, the Investment Manager shall not be liable to the Client for any loss that the Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by the Investment Manager with that degree of care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a fiduciary capacity would use in the conduct of an enterprise of a like character and with like arms. In any event, neither the Investment Manager nor its affiliate shall be liable for any loss or damage arising or resulting from the acts or omissions of the custodian, any broker, financial institution, or any other third party with or through whom the Investment Manager arranges or enters into a transaction in respect of the Portfolio.

We believe this language is standard in most investment management agreements and does not limit liability where the investment manager has breached its fiduciary duties. Please confirm that this provision would not be prohibited by the Oklahoma state constitution.

Our interpretation of Oklahoma law is that an investment manager is responsible for actions taken by it, or by its employees, contractors or affiliates, in bad faith or with negligence or intentional misconduct and as a general rule an investment manager is not responsible for the actions taken by unrelated third parties (except as otherwise provided in the federal securities laws). However, some revisions will be required to the language provided above to make it consistent with Oklahoma law.

9. Would Oklahoma Firefighters Pension and Retirement System allow for certain portions of the RFP to be labeled as “Confidential” and removed prior to being made a public record?

Under the Oklahoma Open Records Act, any document you submit to the System will be available to any person for inspection, copying, or mechanical reproduction unless a state or federal law specifically requires that such document be kept confidential. Therefore, even if you mark documents submitted to the System as “proprietary” or “confidential,” you are not entitled to a reasonable expectation that such information will not be publicly accessible.

10. In regard to the Placement Agent disclosure outlined below, Can you indicate if this information should be provided only with respect to this mandate / search, or would it pertain to any placement agent our firm uses? Also, would you like this information to be included as an appendix, in the cover letter or in another part of the submission?

The Investment Policy Statement and Guidelines for the System require that in addition to the Rule 206(4)-3 disclosures, an investment manager must also disclose the identity of each Placement Agent, the fees paid to each Placement Agent, the services performed by each Placement Agent, and if the Placement Agent is registered with the SEC or as a lobbyist, and also must provide copies of agreements with Placement Agents and resumes of key Placement Agent personnel.

The Placement Agent disclosures are required only with respect to this mandate/search. However, to the extent that the investment manager has a written Placement Agent policy in place, we ask that you provide a copy of that policy, even if no Placement Agents have been, or will be, used with respect to this search/mandate. Please provide any Placement Agent information as either an appendix to your response to the RFP or as a separate, stand-alone document.

- 11. Does the System consider Placement Agents individual employees of an investment adviser who solicit state retirement funds on behalf of the adviser?**

As a general rule, the System does not consider individual employees of an investment adviser to be a Placement Agent. However, to the extent that the individual employee in question is required to prepare or deliver any disclosure documents under Rule 206(4)-3, we ask that you provide us with a copy of those disclosures.

- 12. Do all of the hard copies need to have a wet ink signature and be notarized? Or can copies be made of the original, notarized document to facilitate the submission requirement?**

Only one original/notarized hard copy is required. Copies are permitted for the remainder of your submission.