

**THE OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM
THE UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES**

REQUEST FOR PROPOSALS

#515-13-188

**INTERNATIONAL GROWTH EQUITY
INVESTMENT MANAGEMENT SERVICES**

The Board of Trustees of the Oklahoma Public Employees Retirement System (OPERS), which is also charged with the administration of the Uniform Retirement System for Justices and Judges (URSJJ), jointly referred to as the “System,” is considering the selection of an Investment Manager for an active international equity portfolio that emphasizes the growth style of investing, for the OPERS fund. This RFP provides information on the System and establishes the specifications and requirements for submitting a proposal. The term “Vendor” as used in this Request for Proposals (RFP) shall mean the company submitting proposals for consideration.

OPERS reserves the right to reject any or all proposals submitted. There is no express or implied obligation for OPERS to reimburse Vendors for any expenses incurred in preparing proposals in response to this RFP. In the event that none of the proposals are satisfactory to OPERS, no selection will be made. Proposals submitted in response to the RFP become the property of OPERS and are subject to public inspection. OPERS reserves the right to modify the RFP contents and requirements at any time prior to the submission deadline.

This Request for Proposals is comprised of ten (10) sections, one (1) exhibit, and seventeen (17) pages total, as follows:

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This RFP can be found on the OPERS website at www.opers.ok.gov. If you are unable to download this document from the website, you can also obtain an electronic copy of this RFP through e-mail. Send your request to: jharjo@opers.ok.gov. Include the name of the RFP and the proposal number in your request. All responses to this RFP must be submitted in accordance with the instructions contained in the RFP. Electronic responses to this RFP will not be considered.

Regardless of the manner in which the RFP document is received by the Vendor, the contents of the RFP may not be altered in any way. The Vendor’s Affidavit and all questions must be identically reproduced in the submitted proposal. Any alterations to the contents of the RFP document will be grounds for dismissal from consideration or termination of a resulting contract. By submitting an RFP, it is agreed by

the Vendor that any misleading or false information given may be grounds for dismissal from consideration, or termination of any resulting contract, whenever, and however discovered.

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

Proposal Number	Agency Requisition Number	Proposal Deadline
#515-13-188 (International Growth Equity Investment Management Services)	#515-13-188	must be received by February 22, 2013

Vendor Identification:

Name of Firm:	_____
Address:	_____
City/State/Zip Code:	_____
Telephone Number:	_____
Facsimile Number:	_____

VENDOR'S AFFIDAVIT

STATE OF _____)
) SS:
 COUNTY OF _____)

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

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

Name/Title

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

Notary Public (seal)

My commission expires: _____

**REQUEST FOR PROPOSALS
INTERNATIONAL GROWTH EQUITY
INVESTMENT MANAGEMENT SERVICES**

II. MANDATORY REQUIREMENTS FOR SUBMITTING A PROPOSAL
(PLEASE READ CAREFULLY)

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

Oklahoma Public Employees Retirement System
International Growth Equity Investment Manager Services Proposal
Attn: Jason Harjo
5801 North Broadway Extension, Suite 400
Oklahoma City, Oklahoma 73118

- B. The deadline for receipt of complete proposals is 4:30 p.m. CST, on **Friday, February 22, 2013**. Proposals submitted to the incorrect address or location or received after this date will be rejected and will not be considered.
- C. The Original Proposal must contain the Proposal Cover Sheet, fully completed, signed and notarized. The Vendor shall submit an original proposal, four (4) copies of the original, and two (2) electronic versions of the complete response on CDs in PDF format. The CDs must be clearly marked with the Vendor's name and proposal number.

The original proposal, the proposal cover sheet, four (4) copies and the CDs must be submitted together in one completely sealed package, box, or envelope. It must be clearly marked "OPERS International Growth Proposal" on the outside face of the package containing the proposal in order that the receiving agent can identify it without opening the package.

- D. Proposals may be either mailed or hand-delivered. If the proposal is sent by mail or express delivery service, the responding Vendor shall be responsible for actual delivery of the proposal to the proper address before the deadline. All timely proposals become the property of OPERS.
- E. All proposals, once opened, are considered to be a public record and shall be available for viewing and reproduction by any person.
- F. In submitting this proposal, the Vendor must agree to an audit which provides that books, records, documents, accounting procedures, practices or any other items of the service provider relevant to the proposal are subject to examination by the System and the Oklahoma State Auditor and Inspector.
- G. In an effort to clarify any issues in this RFP, OPERS will respond only to questions that are presented through e-mail. Questions should be submitted to Jason Harjo at jharjo@opers.ok.gov. All questions and answers will be consolidated into a single Q&A document.

All questions must be received by 5:00 p.m. CST on **Friday, February 8, 2013**. The Q&A document will be posted on the OPERS web site at www.opers.ok.gov on or after **Friday, February 15, 2013**. This will be the only distribution method for the Q&A document.

- H. It is the responsibility of the Vendor to ensure compliance with all requirements and deadlines. Proposals which are not in compliance with the RFP requirements may be rejected. All proposals will be reviewed to determine if they satisfy the mandatory criteria in this RFP. Proposals not satisfying the mandatory criteria will be rejected.
- I. All costs of preparation and presentation associated with a response to this RFP will be the responsibility of the Vendor. Vendors may be asked to make a presentation before the Board if selected as a finalist.
- J. The selection of investment managers for the state retirement systems is specifically exempt from the competitive bidding procedures established by Oklahoma Statutes (see Title 74 Oklahoma Statutes §85.7). The Board of Trustees of OPERS and URSJJ reserves the right to request additional information from any Vendor and to accept or reject any proposal without specifying the reason for its actions. The Board reserves the right to request additional proposals. Further, the Board specifically reserves the right to renegotiate for lower fees at any time with any Vendor.
- K. The Board reserves the right to award all, part, or none of this contract.
- L. The Vendor shall be bound by the information and representations contained in any proposal submitted. Said proposal is deemed to be a binding offer on the part of the Vendor.
- M. Submission of a proposal in response to this RFP evidences the Vendor's acceptance of the terms and conditions contained within the RFP.
- N. OPERS prohibits the payment of a finder's fee in any form. The Vendor must certify that no finder's fee or finder's commission has been paid or shall be paid to any individual or organization from the establishment of this investment relationship with OPERS.
- O. All Vendors must:
 - 1. Acknowledge and agree to be a fiduciary to the plan pursuant to Section 909.2 of Title 74 of the Oklahoma Statutes.
 - 2. Agree that any resulting investment management contract and services will be subject to and interpreted by Oklahoma law.
 - 3. Agree that this RFP and the Vendor's response will be incorporated by reference to any resulting investment management agreement.
 - 4. Agree to submit reports as requested by the System's Board or staff in a timely manner, including, on a quarterly basis, a Statement of Compliance signed by the portfolio manager and a principal of the firm.
 - 5. **Answer, to the best of its abilities, all questions in this RFP in the order presented. Do not add appendices to the end of the RFP unless specifically asked to do so.** Please assume the term "current" herein refers to December 31, 2012 unless otherwise noted.
 - 6. Fully disclose any proposed subcontracting of any of the required services.

III. BACKGROUND INFORMATION

A. Legal Authorization

The Board of Trustees of the Oklahoma Public Employees Retirement System (OPERS) and the Uniform Retirement System for Justices and Judges (URSJJ) is charged with the investment of approximately \$7.1 billion in retirement funds for public employees (OPERS). The OPERS/URSJJ investment authorization (statutory provisions generally related to portfolio composition and the types of investments which the Systems could use) is set forth in 74 O.S. Sections 909.1 and 909.2.

B. Board Composition

OPERS/URSJJ is administered by a Board of Trustees composed of 12 members including a member of the Corporation Commission, the State Insurance Commissioner, the Director of the Office of Management and Enterprise Services, a member of the State Tax Commission, three members appointed by the Governor, one member appointed by the Supreme Court, two members appointed by the Speaker of the House of Representatives, and two members appointed by the President Pro Tempore of the State Senate.

C. Support Services

OPERS/URSJJ has an authorized staff of 63 employees. The Executive Director is the chief administrative officer of OPERS.

D. Allocation of Assets

The asset allocation mix as of June 30, 2012, and the target mix as adopted by the Board at its April 2008 meeting are as follows:

TARGET MIXES FOR OPERS and URSJJ:

	TARGET
Large Cap Domestic Equities	35%
Small Cap Domestic Equities	5%
International Equities	24%
Fixed Income	36%
Cash Equivalents	0%

IV. CRITERIA AND QUALIFICATIONS OF THE INVESTMENT MANAGEMENT FIRM

- A. Vendors should have substantial experience managing assets in classes described in this RFP. The following criteria will apply and exceptions will not be granted:

1. The proposed investment management firm must have assets under management (firm-wide) of at least \$1 billion as of December 31, 2012.
 2. The proposed international growth investment team must have been responsible for at least \$500 million in international growth assets as of December 31, 2012.
 3. The senior investment professionals in charge of the proposed active international growth equity product must have at least ten years of institutional experience within the international growth equity space.
- B. The fee quotes set forth in the response to the RFP will be a significant factor in determining semi-finalists for further consideration.
- C. Investment Guidelines

The “Statement of Policy Guidelines and Investment Objectives” for OPERS and URSJJ is included as an exhibit on the RFP link on the OPERS website.

V. TIMELINE

The following timeline is an estimate and may be adjusted at OPERS discretion any time during this selection process.

Distribution of RFP	January 18, 2013
Deadline for questions submitted in writing via e-mail (no later than 5:00 p.m. CST)	February 8, 2013
Date for answers to questions	February 15, 2013
Proposals due (no later than 4:30 p.m. CST)	February 22, 2013
Finalist presentation (if necessary)	April 18, 2013
Award business (date contingent on final negotiations)	April 18, 2013
Contract start date	TBD

VI. COMMUNICATIONS WITH OPERS

In an effort to clarify any issues in this RFP, OPERS will respond only to questions that are presented as described in Section II.G above. Telephone questions will not be accepted.

OPERS policy prohibits direct contact between prospective service providers and OPERS Board members, consultants, or staff during this RFP process. This does not include communication with any of OPERS’ incumbent service providers for normal business not related to this selection process. From the date of release of this RFP until a Vendor is selected and a contract is executed and approved, all contacts and communications regarding this RFP are restricted to the Q&A process. Exceptions include communications with OPERS staff identified in this section and designated participants in attendance only during negotiations, presentations, and contract award and execution. Violation of these conditions may result in rejection of a Vendor’s proposal.

All Vendors who have submitted a proposal will be notified of the Board’s decision in writing after the final selection has been made. This notice of final selection may be the only communication between the System and the Vendors. Telephone or other inquiries concerning this proposal after the proposal deadline are discouraged.

VII. GENERAL TERMS AND CONDITIONS

A. Applicable Laws and Courts

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

B. Ethics in Public Contracting

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

C. Qualifications of Vendors

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

D. Business Continuity

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

E. Assignment of Contract

The contract shall not be assignable by the Vendor in whole or in part without the written consent of OPERS.

F. Period of Contract

It is anticipated that the initial contract shall be for a partial one-year period through June 30, 2013. Thereafter, the contract may be renewed by the Board annually, at the Board's discretion. The Board of Trustees reserves the right to terminate the contract upon 30 days' notice, with or without cause.

G. Ownership of Data and Work Product

There is a presumption that all work product generated for OPERS under this contract, as well as all data compiled by the Vendor while performing this contract, shall become the sole property of OPERS. OPERS must be given reasonable access to all such work product or data compiled by the Vendor in the performance of this contract.

H. Limitation of Liability, Hold Harmless Clauses & Indemnity

The State of Oklahoma and its agencies are prohibited from holding a private entity harmless from liability or providing indemnity to a private entity. OPERS will not agree to limiting the liability of a private Vendor. The contract between the successful Vendor and OPERS will not have any such terms.

- I. The Vendor must agree and the contract shall provide that the fee for investment management services is the same or lower than fees the Vendor charges to other clients of similar funds and accounts. In the event the Vendor agrees to charge any other client a lower fee for management of similar funds or accounts, the Vendor will reduce its fee to the Board to the same extent. It is Vendor's responsibility to notify the Board of the existence of any fee agreements which are lower than the fees agreed upon. The Board shall reserve the right to ask for periodic fee review reports. The Board shall be entitled to a retroactive fee reduction in the event the Vendor fails to promptly notify the Board of any lower fee agreements.

VIII. QUESTIONNAIRE

A. Organization

1. List your firm's name, address, and year founded, as well as the name, title, telephone, and email address for the individual(s) responsible for new business contacts.
2. Discuss the financial condition of your firm based on the most recently audited financial statements and annual report.
3. Provide an organizational chart for your firm and specifically for your international growth management division.
4. Has your firm undergone any restructuring or had any major organizational changes during the past five years? Do you anticipate any ownership or organizational changes during the next two years? If so, explain.
5. Describe your succession plans for the management of the firm and the continuity of leadership within the investment product teams.
6. Over the past five years, has your organization, affiliates, parent company, officers or principals been involved in litigation, legal proceedings, or SEC investigations related to your firm's investment activities? If so, provide a brief explanation including the current status and/or the resolution of this action.
7. Describe the compensation/incentive structure for both analysts and portfolio managers within your firm.

8. For each of the last five years, provide the following information regarding the firm's international equity investment professionals (*i.e.*, those individuals involved in portfolio management and/or research): Provide the roles of these individuals as well.

Year Ending June 30	Key Investment Professionals Joined	Key Investment Professionals Left	Total International Equity Investment Professionals
2012			
2011			
2010			
2009			
2008			

9. Designate the team members who would be responsible for OPERS' portfolio. How much time do these individuals allocate among portfolio management, research, client servicing, traveling and administrative duties? Discuss these individuals' account responsibilities, specifically the number of accounts managed, location and dollar value of assets under management.
10. What is the current and expected account load of your portfolio managers and how are accounts assigned to each portfolio manager at your firm?

B. International Growth Equity Product

1. When did your firm begin managing dedicated international growth equity mandates? List all of your firm's international equity products and indicate which one you are proposing for this assignment.
2. Provide the total amount of assets under management within your firm's international and international growth-oriented mandates and also segregate (if applicable) the international growth product that your firm is proposing using the format below.

Assets	Public	Corporate	Foundation/ Endowment	Taft- Hartley	High Net Worth	Foreign	Other
Total Firm International Equity							
Proposed International Growth Product							

3. Provide the approximate client turnover in the firm-wide total equity, US equity, and International equity mandates using the format below.

	2012	2011	2010	2009
# of Clients Gained				
Assets (\$MM) Gained				
# of Clients Lost				

12. Discuss research and the process of idea generation and implementation.
13. List the main sources of your expected alpha and the expected contribution of each source to excess return. What is a reasonable alpha expectation versus your preferred benchmark? What is your expected tracking error versus this benchmark?
14. Provide a model portfolio for this assignment. You may attach the model portfolio in an appendix at the end of this document.
15. Provide historical benchmark-relative factor exposures (i.e. Barra or a similar measure), portfolio characteristics, and sector deviation for the last four years using the template below.

Factor Exposures

	Proposed Product	Benchmark (Specify)
Momentum		
Volatility (Residual or Beta)		
Value (or components)		
Size		
Growth		
Liquidity		
Leverage		

16. Provide summary portfolio characteristics of your International Growth composite as of year-end (for the last four years) using the template below. Include the appropriate benchmark characteristics for comparison.

Summary Characteristics

	Proposed Product	Benchmark (Specify)
PE NTM		
PB		
EPS Growth LTM		
EPS Growth LT Forecast		
ROE		
Market Cap		
Dividend Yield		
Beta		
Number of Holdings (Ave)		
Annual Turnover (Ave)		

17. Describe your risk management process, including key individuals and tools used.

18. Discuss the degree to which the strategy will deviate from the Growth style of investing.
19. Describe the role cash plays in management of your proposed portfolio and the types of cash equivalents you use.
20. How many stocks are typically contained in your proposed portfolio? How has this changed over time? What percent of the portfolio is currently represented by the top 10 holdings? Is this typical?
21. What enhancements have you made to your investment process and resources available for portfolio construction and risk management over the past few years?
22. How do you distinguish your investment style and strategy from others in your peer group?
23. What evidence is there that your strategy will be successful in the future?
24. What are the strengths and weaknesses of your strategy?
25. What market conditions would favor and not favor your strategy?
26. Provide returns since inception for the period ending 12/31/2012 for your proposed product and the appropriate benchmark. Also include annualized returns of 3, 5, 7 and 10 years to 12/31/2012 for your proposed product. For the same annualized periods, provide the appropriate tracking error and describe the sources of tracking error.
27. Discuss the country selection process.
28. Describe the currency hedging process. What percent of the portfolio was hedged to the USD as of year-end 2012, 2011, 2010, and 2009?
29. Provide the product's allocation to emerging market and frontier markets (or other out-of-index holdings) relative to the appropriate benchmark for the last five years (as of Dec. 31).
30. Provide the name, contact name, and phone number of three past international growth clients that terminated your firm during the last three years, the reason for termination and the dollars managed at the termination date.
31. Provide three references for the largest public fund clients who employ your firm to manage international growth mandates. Include a contact name, phone number, and the market value of the assets your firm manages for each reference at inception and currently.

C. Additional Information

1. Is your firm a SEC registered advisor or is it exempt from registration? If applicable, submit a copy of your most recent Form ADV, Parts I and II.
2. On average, how many days after month-end does it take for the firm to reconcile positions with clients' custodians? When you find pricing differences, what is your procedure for reconciliation?
3. Does the firm carry errors and omissions insurance? If so, what is the level of coverage?

4. Does the firm carry fiduciary liability insurance? Is so, what is the level of coverage?

D. Trading/Compliance

1. Please describe the firm's policies regarding the use of soft dollars and directed commissions. For 2012, what percent of the firm's total operating expenses were covered through the receipt of products and services acquired through soft dollar arrangements?
2. How many brokers were used during calendar year 2012? How many of these were soft dollar relationships? What was your average cost (cents per share) per free commission trade?
3. What were the explicit commission costs (in cents per share) for this product's trades in 2012 and 2011? If these figures are available only on a firm-wide basis and not for the specific product, please provide the firm-wide figures.
4. What is the maximum amount of time that it will take for a new account to be fully invested? Typically, are targeted positions filled in one lot, or, if more, up to how many lots?
5. Describe how your firm obtains and pays for outside research reports. Please list the primary sources of research upon which your firm relies.
6. Please describe your back office (compliance and trading) procedures in detail. What trading platform do you use? Do you have a separate individual or group of professionals responsible for compliance and guideline adherence?
7. Please briefly describe your reporting practices to clients. How often will you meet with a client each year? Who will the primary contact on the account? What is his/her role in managing the assets?
8. What performance and portfolio pricing service(s) do you use?
9. Please provide a sample monthly and quarterly account statement.

E. Securities Lending

1. Describe the securities lending process of your commingled funds. Describe the investment vehicle used for collateral investment. Submit copies of any prospectus or other official document that describes the investment guidelines for the applicable cash collateral investment vehicle including the credit quality of the acceptable securities and asset allocation restrictions.
2. State how securities lending income is to be paid to the System and whether it is paid as income to the fund or paid directly to the System. State what additional charges/fees might apply including, but not limited to, charges for collateral investment in your commingled funds.

3. State whether the System has the ability not to have its portion of assets in a fund subject to securities lending. Also state how, if at all, this would affect the management fees and other fees and expenses applicable to that fund. If the management fees are different for a “non-lending” fund, the Vendor should complete a separate quote for such a fund in the format of Exhibit “A”.

F. Vehicle

1. Is your proposed product available in both separate account and commingled fund formats? What is the minimum size for a separate account and/or commingled fund? Describe **in detail** capacity constraints for your proposed product, including how product capacity is calculated.
2. Specify the proposed vehicle (separate account, commingled fund etc). If the proposal consists of a fund, detail the liquidity constraints/funds availability.
3. If the proposal consists of a fund, within the fee quote detail all fees and expenses that will be charged to the fund or the System including, but not limited to, management fees, administrative fees, transaction fees, fees for legal services, audit, accounting, tax filing and custody.

IX. FEE QUOTE

The fee quotes set forth in the response to the RFP will be a significant factor in determining the successful Vendor. In responding to this RFP you are required to quote your fees according to the terms as specified in the following format. The format is a fixed asset-based fee quote. No language may be altered and you acknowledge that you understand our fee calculation methodology by submitting your bid. You are encouraged to have your legal counsel approve our terms prior to submitting your RFP. By submitting a proposal you are agreeing to accept our proscribed fee calculation methodology. The only terms that may be altered are those left blank; specifically, dollar amounts, basis points and percentages.

1. Provide relevant fee schedules using the format on Exhibit “A” at the end of this RFP for each product in your proposal.
2. At the present time the System is expecting to fund an international growth equity mandate of potentially up to \$250 million, as of December 31, 2012. The level of assets may vary based on the candidate’s product profile, prevailing market conditions, and at the Board’s discretion.
3. If the Vendor is offering any discount on the management fees quoted based on the retention of other investment services already provided to OPERS or the URSJJ, please list the discount separately on Exhibit “A.”
4. OPERS will consider a performance fee from a manager proposing an actively managed separate account. Any vendor suggesting a performance fee still needs to submit a fee quote on a fixed asset-based method on Exhibit “A.” The alternate performance fee can be presented on a separate page in narrative form.

X. SUMMARY

Fill out the follow proposal summary

Summary							
Firm Name	Product Name	Vehicle (i.e. separate account or commingled fund)	Product Expected Excess Return	Product Expected Tracking Error	Investment Management Fee Schedule	Other Fund Fees	Availability of Funds

EXHIBIT A

FIXED ASSET-BASED FEE QUOTE FORMAT

COMPENSATION RATES

- A. (INVESTMENT MANAGER) shall submit invoices for services to the System providing such information acceptable to the System.
- B. Following the end of each calendar quarter, (INVESTMENT MANAGER) shall submit separate quarterly invoices to the Chief Financial Officer of the System for OPERS and/or URSJJ as applicable. The staff of the System will review and attempt to resolve any differences with (INVESTMENT MANAGER) within ten (10) working days of receipt of the invoice. The System will notify (INVESTMENT MANAGER) when the invoice has been approved.
1. For commingled funds, the (INVESTMENT MANAGER) will be authorized to sell securities from the applicable Fund to make payment on the last working day of the month following the month in which the invoice is approved by the System. (INVESTMENT MANAGER) shall provide the System and its Custodian with a report containing adequate detail to determine the exact date(s) of sale, the number of units sold, the value per unit, and the total value of the units liquidated.
 2. For actively managed portfolios, the System will notify its Master Custodian and (INVESTMENT MANGER) to wire the approved fee amounts from the OPERS and/or URSJJ accounts to the (INVESTMENT MANAGER) per their prior written instructions. It will be the responsibility of (INVESTMENT MANAGER) to have adequate cash in the applicable cash account(s) equal to the invoice and approved fee amount to fund the wire(s) on the scheduled date.
- C. The total annual fees for the services provided under this Agreement are set forth in this Exhibit "A".
1. Investment Management fees for the combined OPERS & URSJJ portfolios as applicable:

___ basis points (.___ of 1%) on the first	\$ _____
___ basis points (.___ of 1%) on the next	\$ _____
___ basis points (.___ of 1%) on the next	\$ _____
___ basis points (.___ of 1%) on the next	\$ _____
___ basis points (.___ of 1%) amounts over	\$ _____

(For RFP bidding process additional breakpoints may be inserted above if necessary. Please list all fees and expenses applicable to each fund as asked for in Section IX. List any applicable discounts as well.)
 2. Fees shall be calculated and billed quarterly in arrears by averaging the three month-end market values of an account as reported by the Master Custodian and applying twenty-five percent (25%) of the annual fee schedule. Month-end market values shall exclude accrued income. When assets are held for a partial quarter(s) as a result of an initial contribution to or a final withdrawal from an account, the quarter-end market value shall be:
 - a. decreased on a pro rata basis by any contribution to the account made during the calendar quarter, and
 - b. increased on a pro rata basis by any withdrawal made from the account during the calendar quarter.
- D. It is understood and agreed that (INVESTMENT MANAGER) may not bill or charge, over and above the compensatory rate above mentioned, for the services provided pursuant to this Agreement.