









- ☐ Please describe the risk controls that you employ in the portfolio construction process as it relates to security and sector.
- ☐ Do you utilize a risk measurement system within your portfolio management process (BARRA, Northfield, etc...)? If so, please describe.
- ☐ Please identify the method by which your strategy attempts to add value relative to its benchmark: (Please assign weight to each, totaling 100%). Explain.

**Equities**

Style	_____%
Sector	_____%
Security	_____%
Active Asset Allocation	_____%
<b>Total</b>	<b>100%</b>

- 45. How many issues are typically contained in the portfolio?
- 46. What is the normal amount of cash held in the account and how is it used in the portfolio?
- 47. What modifications or enhancements have been made to the investment process over the last few years?
- 48. Why do you believe your process will be successful in the future?
- 49. In what environments will your strategy be expected to perform well or poorly?
- 50. Please describe how your investment process has evolved over time.

**Portfolio Characteristics**

- ☐ Please describe your portfolio’s sector policies. Do you have any constraints on weightings either on an absolute basis or relative to the benchmark?
- ☐ Describe your relative risk control techniques.
- ☐ Provide a capitalization summary of the portfolio. This would include weighted market capitalization, median market capitalization, and preferably a cap quintile breakdown of your portfolio.
- ☐ Please provide the portfolio’s holdings list.
- ☐ What is the portfolio’s current ADR exposure? Do you have a maximum weighting policy in regards to ADR?
- ☐ Please provide the following portfolio characteristics for the most recent quarter-end. (Refer to Excel Supplement Schedule C)

**Market Outlook**

- 57. What are your firm’s expectations in the coming year from an economic and fundamental perspective? How is your strategy positioned to take advantage of this outlook? What is your market outlook over the next 1 to 5 years?

**Operations/Trading**

- 58. How does your firm minimize trading costs? How many broker relations does your firm have?

59. How does your firm use soft dollars and directed commissions?
60. What were the total trading costs for this portfolio (bps and dollars) for the most recent calendar year?
61. How does your firm monitor compliance?
62. What trading platform does your firm employ?
63. What portfolio accounting system does your firm employ?
64. Does your firm outsource any operational, legal, compliance, accounting or risk-management functions?

### **TRS Specific**

65. The System currently has trading goals with minority-owned brokerage firms. Please discuss how your firm would or would not be able to achieve the System's minority brokerage utilization goal. If your firm would not be able to meet this goal, please describe why.
66. Sudanese Prohibited Assets – By Illinois statute, the System's investment managers are prohibited from owning any securities which generate revenues from Sudan. Please confirm that your firm would adhere to this policy and identify the 3rd party list to be used for claiming divestiture.
67. Iranian Prohibited Assets – By Illinois statute, the System's investment managers will be prohibited from owning any securities which generate revenues from mining or drilling operations in Iran. TRS will provide the list of prohibited securities. Please discuss if your firm would be able to comply with this statute.

### **Partnership Reporting**

68. Briefly describe your internal accounting capabilities and your abilities to fulfill the necessary reporting requirements of an institutional client.
69. Is your firm flexible in generating investor-requested reports?
70. Attach a sample of the most recent quarterly financial report your firm prepares for investors (tab as Exhibit G).
71. Describe your firm's information management system. Please provide specifics on hardware and software.

### **Additional Information**

72. Provide a current list of references, including other public pension fund clients (tab as Exhibit H).
73. Include any additional information that TRS should consider during the due diligence process.
74. Please include any additional marketing materials or relevant attachments that could assist TRS in evaluating your firm and product.

### Certification

In the event the Manager is hired by TRS, the Manager hereby warrants and attests that no finder's fee was paid, or will be paid, to any outside entity or person or any persons employed or affiliated by TRS and complies with the prohibition on contingent and placement fees as provided in the Illinois Pension Code, 40 ILCS 5/1-145. Additionally, any misrepresentation provided in this questionnaire, after any funding that may occur, is grounds for termination of the portfolio.

By signing, I certify that this information is correct. I am aware that pursuant to the Illinois Pension Code, 40 ILCS 5/1-135, any person who knowingly makes any false statement or falsifies or permits to be falsified any record in an attempt to defraud the Teachers' Retirement System is guilty of a Class 3 felony.

Prospective manager name (print or type)	Title (print or type)
Authorized signature	Date

This questionnaire will not be accepted unless it is signed and dated. Please send a soft copy of your submission to [EmergingManagersProgram@trsil.org](mailto:EmergingManagersProgram@trsil.org).

## Schedule A

If a female is also a minority, the employee is listed as an African American, Hispanic/Latino, Asian, or Other Minority, not as a female, and not under both. Other Minorities are classified as American Indian, Alaskan Native, Asian/Pacific Islander.

(Refer to Excel Supplement Schedule A and Schedule A-1.)