



IMRF STANDARD INVESTMENT MANAGEMENT AGREEMENT

THIS INVESTMENT MANAGEMENT AGREEMENT made and entered into as of the ____ day of _____, 20__, by and between the Illinois Municipal Retirement Fund, (“IMRF”) an Illinois public pension fund and a body politic and corporate, and _____ (the “Investment Manager”), a _____.

WITNESSETH:

WHEREAS, Paragraph III-I of the IMRF Master Trust Agreement (the “Master Trust”) entered into by and between IMRF, located at Oak Brook, Illinois, and The Northern Trust Company, an Illinois corporation, located at Chicago, Illinois (the “Master Trustee”) authorizes IMRF to appoint one or more Investment Managers who shall have the power to manage, acquire or dispose of such portion of the Master Trust assets as IMRF shall determine from time to time; and

WHEREAS, IMRF and the Investment Manager now desire to enter into this Investment Management Agreement;

NOW, THEREFORE, in consideration of the mutual premises and agreement herein contained, and pursuant to the authority vested in IMRF, IT IS AGREED by the parties hereto as follows:

1. Appointment of Investment Manager. IMRF hereby appoints the Investment Manager to, in its sole discretion, direct the Master Trustee under the Master Trust, with respect to the investment and reinvestment of such portion of the Master Trust assets as IMRF shall identify and decide from time to time, the proceeds from the sale of such assets and the income attributable to such assets (the “Fund”). The nature of the investments and other matters concerning the services to be performed shall be as set forth in this agreement, including the Exhibits hereto (this “Agreement”).
2. Investment Guidelines and Policies. Notwithstanding the provisions of Section 1, the Investment Manager shall act hereunder in accordance with the applicable requirements of the Illinois Pension Code, 40 ILCS 5/ et seq. (the “Code”) and the written investment policy and written investment guidelines (“Investment Guidelines”) for the Fund provided to it by IMRF, and attached hereto as Exhibit A. The Investment Manager acknowledges that it has received and reviewed a copy of the IMRF Statement of Investment Policy adopted by the IMRF Board of Trustees on _____ (the “Investment Policy”), which is available on-line at www.imrf.org, and that such Investment Policy is subject to change at any time at the sole and absolute discretion of IMRF. IMRF shall endeavor to promptly advise the Investment Manager with respect to any amendment of such statutes and of any change in such policy and the Investment Manager shall have a reasonable period of time to comply with any such amendments. Any change to the Investment Guidelines shall be agreed with the Investment Manager and Exhibit A shall be revised to reflect any such change. IMRF represents to the

Investment Manager that the Investment Guidelines are and will continue to be compliant with applicable Illinois laws and regulations.

3. Master Trustee. IMRF has informed the Master Trustee of the appointment of the Investment Manager in accordance with the provisions of the Master Trust and the Master Trustee, by virtue of its acceptance of the trusteeship, has agreed to act in accordance with the direction of the Investment Manager during the term of this Investment Management Agreement.
4. Standard of Care. The Investment Manager hereby accepts its appointment, acknowledges that it is registered as an investment adviser under the Investment Advisers Act of 1940 (“Advisers Act”), that it will promptly advise IMRF if it at any time is not so registered, that it is bonded in accordance with the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), and that, with respect to the assets in the Fund, it is a fiduciary under ERISA with respect to IMRF and without limiting the generality of the foregoing, the Investment Manager specifically agrees to perform its duties under this Investment Management Agreement with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in an enterprise of like character and with like aims (the “Standard of Care”).
5. Ownership of Assets. The indicia of ownership of the assets of the Master Trust constituting the Fund shall be held by the Master Trustee at all times.
6. Other Activities; Allocation of Opportunities. Except as otherwise specifically agreed, in writing, by the parties hereto, nothing in this Investment Management Agreement shall be construed to restrict the right of the Investment Manager and its officers to act and continue to act as investment managers for others or to perform investment management or other services for any person or entity. The performance of such services for others by the Investment Manager and its officers shall not violate the terms of this Investment Management Agreement in any way.

Nothing in this Investment Management Agreement shall be construed to limit or restrict the Investment Manager or any of its officers, affiliates or employees from buying, selling or trading in any securities for its or their own account or accounts. IMRF acknowledges that the Investment Manager and its officers, affiliates, employees and 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 by the Master Trustee at the direction of the Investment Manager.

The Investment Manager shall have no obligation to direct the Master Trustee to acquire for the Master Trust a position in any investment which the Investment Manager, its officers, affiliates, or employees may acquire for its or their own accounts or for the account of another client, if, in the sole discretion of the Investment Manager, it is not feasible or desirable to acquire a position in such investment for the Master Trust.

7. Notice of Certain Changes. The Investment Manager shall promptly notify IMRF in writing (i) if more than 7.5% of the ownership interest in the Investment Manager is acquired by any person or entity other than through the issuance of additional Partnership Points to current Partners or employees of the Investment Manager or (ii) in the event of any change in control or business reorganization of the Investment Manager. In addition, the Investment Manager shall promptly notify IMRF in writing of any change in, or departure of, (i) the lead portfolio manager or the lead researcher of the Investment Manager or (ii) any senior investment personnel responsible for the management of the assets of the Fund at any Sub-Adviser.
8. Regulatory Matters. To the extent not prohibited by applicable law, during the term of this Agreement, the Investment Manager shall promptly advise IMRF in writing of any investigation, examination (other than routine examinations provided, however, that all findings letters that identify material issues or compliance infractions shall be promptly disclosed to IMRF), complaint, disciplinary action or other proceeding involving the Investment Manager or to Manager's knowledge, any Sub-Adviser, or any of their respective affiliates or any executive or professional employed by the Investment Manager, any Sub-Adviser or any of their respective affiliates relating to or affecting the Investment Manager's or Sub-Adviser's ability to perform its respective duties, and manage the Fund, which is commenced by the U.S. Securities Exchange Commission, or any other federal or state governmental, regulatory or self-regulatory or agency or organization, or any state Attorney General, or any foreign governmental, regulatory or self-regulatory agency or organization of any state in the United States or any international regulatory agency.
9. Meetings and Information. Upon IMRF's reasonable request, the Investment Manager shall attend meetings with IMRF to review and apprise IMRF of the Fund's investment activities pursuant to this Agreement. Upon request, the Investment Manager shall also furnish to IMRF information regarding assets and asset classes in which the Investment Manager has or may invest in on behalf of IMRF and an overview of specific market conditions.
10. Authorized Persons. Upon execution of this Agreement, the Investment Manager shall provide IMRF with a written certification setting forth the persons authorized to act on behalf of the Investment Manager with respect to the Fund. The Investment Manager shall promptly update and provide a revised certification to IMRF upon any change to the list of authorized persons previously provided to IMRF.
11. Brokers; Soft Dollars. Except as provided below in this paragraph, the brokerage firm or firms that are to act as a securities broker with respect to the purchase and sale of assets of the Master Trust allocated to the Fund shall be selected by the Investment Manager in its sole discretion. Subject at all times to compliance with its fiduciary obligations, the Investment Manager shall select such firm or firms in accordance with IMRF's policy on goals for the utilization of minority broker-dealers as set forth in the

Investment Policy. The Investment Manager or any entity controlled by or controlling it, or affiliated with it, shall not act as an executing broker with respect to purchases and sales or assets allocated to the Fund unless IMRF specifically approves such action. The Investment Manager and any Sub-Adviser shall not engage in soft dollar transactions for the Fund.

12. Insurance. (a) The Investment Manager represents that there currently exists in full force and effect an insurance policy or policies protecting the Investment Manager (and each of its officers, directors, shareholders, partners and/or employees) against liability or loss for breaches of fiduciary responsibility (including, without limitation, breaches of fiduciary responsibility under ERISA), and the coverage limitations of such policy or policies equal or exceed \$10,000,000 and the deductible of such policy does not exceed \$250,000; the Investment Manager warrants and agrees that such insurance policy or policies shall be maintained at all times while this Agreement is in effect and (b) the Investment Manager shall maintain throughout the term of this Agreement the following insurance coverages: Professional Liability Insurance including Errors & Omissions (\$10 million limit) covering Investment Manager's fiduciary responsibility for all services, Financial Institutional Blanket Bond Coverage including Computer Crime (covering Employee Dishonesty (\$10 million limit)), Commercial General Liability (\$1 million each occurrence) and Umbrella Liability coverage (\$4 million each occurrence) and Workers' Compensation with statutory benefits, and any other insurance required by law of the Investment Manager. The Investment Manager shall provide IMRF with certificates of insurance showing their respective coverages prior to the commencement of any work hereunder, and the Investment Manager warrants and agrees that it shall provide IMRF with notice of any adverse change to, or termination of, any of the foregoing policies. The Blanket Bond Coverage shall name the Illinois Municipal Retirement Fund as a loss payee. These coverages and limits shall not be deemed a limitation on the Investment Manager's liability under the indemnities granted to IMRF under this Agreement.
13. Proxy Voting. IMRF shall direct the Master Trustee with respect to the voting of proxies relating to securities held by the Master Trustee in the Fund.
14. Legal Actions. The Investment Manager shall not be responsible for the handling of any legal proceedings, including class actions and bankruptcies (each, a "Legal Action"), with respect to securities purchased or held in the Fund. The Master Trustee shall have the responsibility for forwarding to IMRF any related notices and communications sent by the issuers or other third parties and for processing any and all consents and supporting documentation required in connection with the Fund's participation in any such Legal Action. To the extent it has notice of a Legal Action, the Investment Manager shall provide reasonable cooperation and assistance to the Master Trustee in its preparation and execution of any Legal Action filings on behalf of the Fund. The Investment Manager has no obligation to file proofs of claims relating to the securities

comprising the Fund or unless the Investment Manager has knowledge, notify IMRF or the Master Trustee of class action settlements or bankruptcies relating to the Fund.

15. Fund Transactions. The Investment Manager shall report all Fund transactions on a daily basis to the Master Trustee and IMRF's Bloomberg account. In addition, the Investment Manager shall furnish IMRF, on a monthly basis, with the additional reports and information described in Exhibit A or requested pursuant to Section [20] of this Agreement. The Investment Manager shall also maintain, and make available to IMRF, a log of all transactions placed through all securities brokerage firms, which log shall reflect the name of the firm, a description of each transaction (including the amount and securities involved), the date of each transaction and the amount of fees and commissions paid.
16. Fees. The Investment Manager will be compensated for its performance of services hereunder in such manner and amount as may be agreed by IMRF and the Investment Manager from time to time. Such amount shall be the sole compensation owing by IMRF to any person by reason of the services provided under this Investment Management Agreement and shall be as set forth in Exhibit B to this Agreement.
17. Indemnification. To the fullest extent permitted by applicable law, the Investment Manager shall be liable, and shall indemnify, defend and hold harmless IMRF and its beneficiaries, officers, directors, employees and representatives (individually, an "IMRF Indemnified Person") from and against any liability, claim, loss, damage, expense (including reasonable attorneys' fees), or judgment incurred by or imposed upon a IMRF Indemnified Person arising directly or indirectly out of the performance of the duties or services by the Investment Manager (including, for the purpose of this Section [17], the services provided by its officers, directors, employees, affiliates, representatives, the Sub-Contractor and the Sub-Advisers) hereunder, but only to the extent caused by negligence, breach of the Standard of Care, bad faith, fraud, willful malfeasance, breach of a representation or warranty contained in this Agreement, failure to perform its duties and obligations under this Agreement, or violation of applicable law or regulation, and shall, at the request of IMRF, defend any such actions brought against any IMRF Indemnified Person based upon any such claims or demands, and the cost of such defense shall be borne by the Investment Manager and shall not constitute any expense of, nor shall be paid out of, the Fund assets. This Section [17] shall survive the termination of this Agreement.
18. Exculpation. Except as set forth in Section [17], the Investment Manager will not be liable to IMRF for:
 - a) any loss arising from the Investment Manager's adherence to IMRF's instructions; or
 - b) any act or failure to act by the custodian, any trustee, any broker or dealer to which the Investment Manager directs transactions for the Fund;

provided, however, that the Investment Manager shall select such brokers and dealers with reasonable care.

Except as set forth in Section [17], the Investment Guidelines shall not be deemed to be breached as a result of the occurrence of any of the following events:

- i.) any changes in price or value of any Investment which is brought about solely through movements in the market;
- ii.) any change in the composition of any benchmark set out in the Investment Guidelines;
- iii.) any issue, redemption or cancellation of investments by, or capital reconstruction of, a company or issuer whose investments are held in the Fund or to which the Fund has exposure;
- iv.) any change in rating of an investment held in the Fund or to which the Fund has exposure, or any issuer of any such investment;
- v.) any change in Investment Guidelines directed by IMRF, including changes to lists of restricted securities; or
- vi.) any withdrawal of cash by IMRF.

The federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and therefore nothing in this Agreement will waive or limit any rights that IMRF may have under those laws. Nothing in this Agreement shall be construed to protect the Investment Manager against any liability to IMRF by reason of a breach of the Standard of Care or breach of its fiduciary duties under the Advisers Act, or violation of applicable law.

19. Force Majeure. Neither party to this Agreement shall be liable for any failure or delay in performing any of its obligations under or pursuant to the Agreement, and any such failure or delay in performing its obligations will not constitute a breach of the Agreement, if such failure or delay is as a result of nationalization, strikes, expropriation, devaluation, seizure, or similar action by any governmental authority, de facto or de jure, or enactment, promulgation, imposition or enforcement by any such governmental authority of currency restrictions, exchange controls, levies or other charges affecting the Fund's property; or the breakdown, failure or malfunction of any utilities or telecommunications systems; or any order or regulation of any banking or securities industry, including changes in market rules and conditions affecting the execution or settlement of transactions; or acts of war, terrorism, insurrection or revolution; or acts of God or any other similar event. The Investment Manager shall use reasonable commercial efforts to mitigate any losses resulting from such events and shall maintain a commercially reasonable business recovery plan. Any such non-

performing party shall provide prompt notice to the other party of such circumstances and shall be entitled to a reasonable extension of the time for performing such obligations.

20. Additional Reports. At such times as IMRF may request, the Investment Manager shall deliver to it such written reports and statements relating to its management of the Fund as may be requested. Without limiting the generality of the foregoing, the Investment Manager shall provide IMRF with a monthly written report and analysis of the investment results of the Fund. All returns on investment shall be reported as net returns after payment of all fees, commissions, and any other compensation.
21. Assignment. Except as otherwise specifically provided herein, the rights and obligations of IMRF and the Investment Manager under this Investment Management Agreement may not be assigned without the prior written consent of the other.
22. Notices. All notices required by this Investment Management Agreement will be properly given if addressed to the respective parties, as follows:

to the Investment Manager:

to IMRF:

Illinois Municipal Retirement Fund
Louis W. Kosiba, Executive Director
2211 York Road, Suite 500
Oak Brook, IL 60523-2337
Facsimile: 630-368-5383
Email: lkosiba@imrf.org

Any notice required under this Investment Management Agreement may be waived by the person entitled to notice.

23. Term; Termination. The term of this Investment Management Agreement shall commence on the day and year first above written and shall continue until the date on which it is terminated by IMRF, or the Investment Manager, upon 30 days' advance written notice to the other; provided, however, that at any time, without prior written notice, IMRF may orally direct the Investment Manager to immediately cease all trading and management activities with respect to the Fund, which direction shall be confirmed, in writing, as soon as practicable.

24. Process Upon Termination. The Investment Manager shall cooperate with IMRF in good faith to affect a smooth and orderly transfer of such services and all applicable records as directed by IMRF to a successor manager.

Should the Investment Manager exercise its right to terminate this Agreement in whole or in part, it shall bear the expense associated with the copying and moving of records and material to any successor service provider(s).

On the effective date of termination of this Agreement or as close to such date as is reasonably possible (but in no event more than 30 days after the date of termination of this Agreement), the Investment Manager shall provide IMRF with a final report for the Fund containing the same information as provided in the monthly investment report. Any termination of this Agreement shall not relieve the Investment Manager of any liability that may be incurred in connection with its activities under this Agreement, which liability, shall survive the termination of this Agreement.

25. Finders. Except as set forth in the Disclosure Schedule attached hereto as Exhibit C, the Investment Manager certifies that no finder's fee or finder's commission has been paid or shall be paid to any individual or organization resulting from the establishment of this investment management relationship with IMRF.
26. Disclosure Schedule. The Investment Manager warrants and represents that the statements in the Disclosure Schedule attached hereto as Exhibit C are true, accurate and complete in all material respects. The Investment Manager shall update the Disclosure Schedule promptly after any change in facts or circumstances which would cause any of such statements to no longer be true, accurate or complete in all material respects.
27. Notice of Tax Liabilities. The Investment Manager acknowledges IMRF's representation that it is a tax-exempt entity under U.S. federal, state and local laws, and that it has never been subject to, and is unlikely to be subject to, any tax withholding requirements of the U.S. federal, state or local laws. The Investment Manager (a) shall promptly notify IMRF if, at any time, the Investment Manager receives notice or becomes aware that IMRF is required to pay taxes to any government or to file any returns or other tax documents with respect to income or gains earned by the Account; (b) to the extent reasonably feasible and subject to any applicable requirements of law, including laws relating to the timing, withholding and payment of taxes, before withholding and paying over to any United States or foreign taxing authority any amount purportedly representing a tax liability of IMRF related to the Fund or this Agreement, the Investment Manager shall provide IMRF and the Master Trustee with written notice of the claim of any United States or foreign taxing authority that such withholding and payment is required by law, that the Investment Manager receives notice of and will provide IMRF with the opportunity to contest (at IMRF's expense)

such claim; provided that such contest does not subject the Investment Manager to any potential liability to such taxing authority for any such claimed withholding and payment; and (c) upon request of the Master Trustee, the Investment Manager (i) shall cooperate with and assist the Master Trustee and IMRF in their efforts to obtain any exemption available from withholding and other taxes imposed by any non-U.S. taxing authority with respect to amounts received by the Fund or distributable to IMRF with respect to the Fund (“Foreign Withholding Taxes”), (ii) notify the Master Trustee and IMRF of the amount of any Foreign Withholding Taxes imposed of which the Investment Manager becomes aware, (iii) cooperate with and assist the Master Trustee and IMRF with the procedures for obtaining any available refund of such Foreign Withholding Taxes to the extent the Investment Manager has knowledge, (iv) upon request, provide the Master Trustee and IMRF with such other information or documentation as is reasonably available to the Investment Manager and is relevant to IMRF’s application for a refund of Foreign Withholding Taxes and otherwise cooperate with the Master Trustee and IMRF in their preparation of such application and (v) upon request, provide such reasonable assistance as requested by the Master Trustee and IMRF in their preparation any tax returns or other documents.

28. Foreign Regulations. The Investment Manager agrees to use commercially reasonable efforts to invest and manage the Fund in compliance with all foreign laws, rules and regulations relating to ownership restrictions applicable to the investments held in the Account (collectively, “Foreign Regulations”) in a manner intended to avoid IMRF or the Fund from being directly subject to any Foreign Regulations with regard to any filing, licensing, reporting, fees, fines or penalties in such foreign jurisdiction (a “Regulatory Problem”), other than withholding taxes. In the event that IMRF determines in its sole discretion that investments held by the Fund alone or together with all other investments held by IMRF is reasonably likely to cause IMRF a Regulatory Problem, the Investment Manager agrees in good faith to cooperate with and assist IMRF’s efforts in eliminating such Regulatory Problem through the divestment of investments held by the Fund or otherwise.
29. Borrowing and Lending. The Investment Manager shall not (i) lend to a third party investments or documents of title evidencing title to investments or property of IMRF or the Fund, or (ii) borrow funds on behalf of the Fund or IMRF or commit the Fund or IMRF to borrow funds, unless otherwise permitted by IMRF in writing, and provided such lending is in compliance with applicable laws.
30. Confidentiality; Use of Name. The Investment manager acknowledges that IMRF is a public agency subject to state laws including, without limitation, (i) Illinois Freedom of Information Act (5ILCS140) which provides generally that public agency records and agreements are open to public inspection and copying unless exempted or subject to some specific protection under the aforementioned act, and (ii) Illinois Open Meetings Act (5ILCS120) (and collectively with the Illinois Freedom of Information Act

(5ILCS140) the “Illinois Acts”), which provides generally for open meetings for public boards.

The Investment Manager shall not disclose information of a confidential nature acquired in consequence of this Agreement, except for information, which is or becomes within the public domain (other than by reason of a breach of this clause), or which the Investment Manager may be entitled or bound to disclose by applicable law or regulation or which is requested by regulatory or fiscal authorities or court of competent jurisdiction.

Without the prior written consent of IMRF, the Investment Manager will not use, and will instruct its Affiliates, and their respective agents, officers, directors, managers or employees to not use, the name of IMRF or any of its affiliates or any derivative thereof for any promotional purpose, whether orally or in writing, including in any sales materials, offering documents or press releases relating to this Agreement, or to otherwise indicate that IMRF is a client of the Investment Manager. Notwithstanding the foregoing, the Investment Manager may disclose information in relation to IMRF and/or the Fund (i) to its officers, employees, affiliates, delegates and agents, the Master Trustee, and to any broker or counterparty (in accordance with market practice) to transactions undertaken for the Fund, and in all cases only as necessary to assist or enable the proper performance of its services under this Agreement or to assist or enable the effective management of IMRF’s overall relationship with the Investment Manager and its affiliated entities and (ii) as required by law, regulation or legal process.

To the extent derivatives are authorized to be used in the Fund, IMRF understands and agrees that a copy of this Agreement may be provided to brokers, dealers or banks with which derivatives transactions are executed on behalf of IMRF.

Neither the Investment Manager nor any of its officers, employees, agents nor any delegate appointed by the Investment Manager is obliged to disclose to IMRF or to take into consideration information the disclosure of which by it to IMRF would or might be a breach of duty or confidence to any other person.

31. Form ADV. IMRF acknowledges receipt of Part 2 of the Investment Manager’s Form ADV in compliance with Rule 204-3(b) under the Advisers Act. IMRF agrees that any subsequent deliveries of the Investment Manager’s Form ADV, Part 2 or any amendments thereto may be sent to IMRF via email delivery at the following email address: invreports@imrf.org.
32. Maintenance, Preservation and Review of Books and Records; Errors and Violations. The Investment Manager shall maintain all books and records in accordance with generally accepted accounting principles consistently applied. “Books and records” are the proper and complete books of account for the Fund, together with all records, instruments, work papers and documents relating to the Fund. All such books and records shall be maintained at the Investment Manager’s principal place of business and

shall be preserved during the term of this Agreement and for six (6) years thereafter. During such period, IMRF, and/or its authorized representatives, from time to time, upon two (2) business days notice, shall have the right to inspect, duplicate and audit such books and records for all purposes. If an error is discovered as a result of an audit performed by the Investment Manager or IMRF, or if the Investment Manager becomes aware of any error affecting the Fund or assets held in the Fund through any other means, Manager shall notify IMRF and use its best efforts to promptly correct such error or to cause the appropriate party to correct such error. In addition, the Investment Manager shall report to IMRF any violation of Exhibit A, the terms of this Agreement or any applicable law, rule or regulation, within 24 hours of such violation. Such report shall include a description and assessment of the violation and the plan for curing such violation and corrective action.

33. Representations of the Investment Manager. The Investment Manager hereby represents and warrants to IMRF as follows, which representations and warranties shall be continuously made at all times during which Investment Manager acts as investment manager to IMRF unless Investment Manager otherwise notifies IMRF in writing:

(i) The Investment Manager is not subject to any of the disqualifications described in Section 411 of ERISA;

(ii) Except as specifically disclosed in writing to IMRF, neither the Investment Manager, any of its subsidiaries, divisions or other affiliates, nor any of their officers, directors, partners, or employees, ever has been (A) convicted of or pleaded guilty (or nolo contendere) to a felony or misdemeanor involving (1) an investment or investment-related business, (2) fraud, false statements or omissions, or (3) the wrongful taking of property, bribery, forgery, counterfeiting or extortion; (B) found by a court to be in violation of any federal or state investment (or investment-related) statutes or regulations; (C) found by the U.S. Securities and Exchange Commission, or any other domestic or foreign governmental agency or self-regulating organization, to have (1) made a false statement or omission, (2) been involved in a violation of its regulations or statutes, or (3) been a cause of an investment-related business having its authorization to do business denied, suspended, revoked or restricted; or (D) found to be in violation of Section 411 of ERISA; nor is any claim, proceeding or litigation known to the Investment Manager that might lead to the foregoing presently pending; and

(iii) Except as specifically disclosed in writing to IMRF, neither the Investment Manager, any of its subsidiaries, divisions or other affiliates, nor any of their officers, directors, partners, or employees directly involved in the management of Fund ever has (A) had an insurance or bonding company deny, pay out on or revoke a fidelity bond or fiduciary liability insurance policy; (B) filed a bankruptcy or insolvency petition (or been declared bankrupt) or had a

trustee appointed under the Securities Investor Protection Act; or (C) had its registration revoked or its activities restricted; nor is any claim, proceeding or litigation that might lead to the foregoing presently pending;

34. Limited Recourse. The Investment Manager shall not enter into any agreement by or on behalf of IMRF that: (i) is binding on IMRF or allows, either expressly or by operation of law, recourse to IMRF, (ii) creates any actual or potential liability on the part of IMRF that exceeds the scope of authority delegated to the Investment Manager under this Agreement or (iii) waives any of IMRF's rights, defenses or causes of actions. The Investment Manager agrees that, with respect to IMRF, no document or agreement shall be executed or entered into by the Investment Manager on behalf of IMRF if such document or agreement would expose IMRF to liability and the recourse of the other party to the assets of IMRF under such document or agreement is not limited to the assets of IMRF that are managed by the Investment Manager, and further agrees to note its files to ensure ongoing compliance with this agreement. Liabilities that are not authorized by IMRF and are prohibited by this provision, include, without limitation, any obligation on the part of IMRF to indemnify a third party or to pay attorneys' fees, legal expenses, penalties or liquidated damages. The Investment Manager shall have no authority to represent IMRF in any manner whatsoever in any legal proceeding (including bankruptcies) and litigation that is filed as a result of the Investment Manager's trading activity without the prior written consent of IMRF. IMRF reserves all rights to retain legal counsel on its behalf and oversee any and all litigation where IMRF may have a claim, resulting from any securities purchased on its behalf.
35. Entire Agreement. This Agreement, including its exhibits, contains all agreements of the parties to this Agreement and supersedes any previous negotiations and agreements. There are no understandings made between the parties other than those set forth in this Agreement. This Agreement may not be modified except by a written instrument duly executed by the parties to this Agreement.
36. Authority. Each of the parties to this Agreement represents that it is duly authorized and empowered to execute, deliver and perform this Agreement and that neither such execution and delivery nor the performance of its obligations hereunder conflict with or violate any provision of law, rule or regulation, contract, deed of trust or any other instrument to which it is a party or to which it or any of its property is subject and that this Agreement constitutes a valid and binding obligation enforceable in accordance with its terms.
37. Severability. The parties intend that each provision of this Agreement is severable. If any provision or term in this Agreement is determined for any reason whatsoever to be illegal or otherwise unenforceable, such determination shall not affect the validity of the remaining provisions and terms.
38. Governing Law. The terms and provisions of this Investment Management Agreement shall be construed and governed in accordance with the laws of the State of Illinois,

without giving effect to the principles of conflicts of law thereof, to the extent that such laws are not preempted by the laws of the United States of America.

39. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the Investment Manager has caused these presents to be signed by its duly authorized officers and a duly authorized representative of IMRF has affixed his hand, the day and year first above written.

By: _____
Name:
Title:

Illinois Municipal Retirement Fund

By: _____
Louis W. Kosiba
Executive Director

Exhibit A

Nature of Investments and Description of Services

1. The nature of the investments to be made pursuant to this Agreement is as follows:

Strategy Overview

The Investment manager will invest the account in a _____ portfolio. The objective of the account is to outperform the _____ Index by _____, net of fees, annualized, over a 5 year period.

2. The services to be performed are described as follows:
 - a. To recommend actions which in their best professional judgment are in the best interests of the IMRF to meet the investment objectives. Such recommendations include but are not limited to: (A) the allocation of funds among alternative types of investments; (B) specific investment opportunities regarding the acquisition, retention or disposition of investments; and (C) the addition, deletion or modification of authorized investments.
 - b. In the selection of broker-dealers with whom to place orders for the purchase or sale of securities for the Fund, the primary objective of the Investment Manager shall be to obtain the most favorable results for the Fund. The Investment Manager's selection of broker-dealers may take into account such relevant factors as (1) price and/or commission; (2) the broker-dealer's facilities, reliability, and financial responsibility; (3) the ability of the broker-dealer to effect securities transactions, particularly with respect to such aspects as timing, order size, execution of orders, and the ability to complete a transaction through clearance, settlement, and delivery; and (4) the research and other services provided by such broker-dealer to the Investment Manager which are expected to enhance general portfolio management capabilities, notwithstanding the fact that the Fund may not be the direct or exclusive beneficiary of such services. The Investment Manager's selection of such broker-dealers shall be in accordance with Article I of the Illinois Pension Code (40 ILCS 5/1-101 et seq.), the Investment Advisors Act of 1940, and any other applicable securities laws, rules, and regulations.
 - c. To report to IMRF monthly, in writing, on the composition and relative

performance of the investments in their designated portfolios; the investment outlook for the near and long term; significant changes in the portfolio during the month; and the reasons for any significant differences between the performance of the portfolios and the appropriate market indices or other performance benchmarks established by IMRF and the Investment Manager.

- d. Additional responsibilities as detailed in each Investment Manager's agreement with the Board.

Investment Guidelines

- e. The expected rolling twelve-quarter tracking error should be between ____ and _____. Tracking error should be reported to IMRF on a monthly basis.

- f. (Portfolio-specific guidelines will be inserted here)

- 3. The need for the services to be performed is described as follows:

The IMRF Board of Trustees seeks to employ a _____ manager who possesses superior capabilities in the management of assets for public retirement funds. This account provides diversification benefits for IMRF's total investment portfolio, for which the objective is to achieve a rate of return greater than the current actuarial assumption.

- 4. The plan for post-performance review shall be as follows:

Normally the Board shall not make any final decision about the retention of any investment manager on the basis of performance for at least three years from the original date of the engagement with the manager in the absence of any compelling circumstances. This policy recognizes that investment strategies must be assessed over full market cycles. The trend in investment experience over other time periods may be judged important. Any unusual events or trends will be considered when evaluating intermediate and short-term results.

Investment performance will be reviewed monthly. Formal portfolio reviews with IMRF Staff will be conducted not less than twice a year. Additional meetings with IMRF Staff, Consultant, Investment Committee and Board of Trustees may be required.

- 5. The qualifications necessary for the Investment Manager are as follows:

- a. Investment Manager must be registered as an investment adviser under the Federal Investment Advisers Act of 1940, or
 - b. A bank as defined under the Federal Investment Advisers Act of 1940.
 - c. Investment Manager must be bonded in accordance with the provisions of the Employee Retirement Income Security Act of 1974.
6. The method for charging and measuring cost, if applicable, is as follows:
- A standard fee schedule as presented in Exhibit B.

Exhibit B

Investment Manager's Compensation

Fee Schedule

(Fee schedule will be inserted here).

- Fees are calculated at the annual rate specified above and are billed to IMRF quarterly in arrears.
- Fees are applied against the average of the month end market values during the quarter as determined by IMRF's Master Trustee.
- Fees for periods of less than a full quarter will be prorated based on the number of days the assets are managed.

Exhibit C

Disclosure Schedule

The Investment Manager warrants and represents to IMRF as follows:

1. There are no direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the Investment Manager in connection with the provision of services to IMRF, except as follows:

(If none, state “none”)

2. The following is a true, accurate and complete list of the names and addresses of (i) the Investment Manager; (ii) each entity that is a parent of, or owns a controlling interest in, the Investment Manager; (iii) each entity that is a subsidiary of, or in which a controlling interest is owned by, the Investment Manager, including each Sub-Adviser; (iv) all persons who have an ownership or distributive income share in the Investment Manager that is in excess of 7.5%; (v) each person who serves as an executive officer of the Investment Manager:

(i)

(ii)

(iii)

(iv)

(v)

3. The following is a true, accurate and complete list of the names and addresses of all subcontractors and Sub-Advisers, if applicable, and the expected amount of money each will receive under the contract, including an acknowledgment that the contractor or Sub-Adviser must promptly make notification, in writing, if at any time during the term of the contract a contractor or Sub-Adviser adds or changes any subcontractors or Sub-Advisers. (For purposes of this paragraph “subcontractor” does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy-voting services, services used to track compliance with legal standards, and investment fund of funds where the board has no direct contractual relationship with the investment advisers or partnerships.)

(If none, state “none”)

4. The Investment Manager acknowledges that it is familiar with the provisions of Sections 1-135 and 1-145 of the Code, which read in their entirety as follows:

Sec. 1-135. Fraud. Any person who knowingly makes any false statement or falsifies or permits to be falsified any record of a retirement system or pension fund created under this Code or the Illinois State Board of Investment in an attempt to defraud the retirement system or pension fund created under this Code or the Illinois State Board of Investment is guilty of a Class 3 felony. (40 ILCS 5/1-135)

Sec. 1-145. Contingent and placement fees prohibited. No person or entity shall retain a person or entity to attempt to influence the outcome of an investment decision of or the procurement of investment advice or services of a retirement system, pension fund, or investment board of this Code for compensation, contingent in whole or in part upon the decision or procurement. Any person who violates this Section is guilty of a business offense and shall be fined not more than \$10,000. In addition, any person convicted of a violation of this Section is prohibited for a period of 3 years from conducting such activities. (40 ILCS)