**Request for Proposals**

**U.S. Residential Real Estate Search**

1. **Introduction and Objective of the Request for Proposals (RFP)**
   1. ***Introduction***

The Illinois Municipal Retirement Fund (“IMRF”) is requesting proposals from closed-end value-add and opportunistic U.S. residential real estate funds. Single or multiple strategy equity funds focused exclusively on residential real estate including but not limited to affordable housing, workforce housing, student housing, manufactured housing, single family build to rent, senior housing will be considered. For clarification purposes, IMRF is seeking strategies that are expected to have at least 75% of capital invested in residential properties with a proven track record in the proposed strategy and at least $250 million in AUM. Regardless, first time funds and small firms will be considered. Only closed-ended vehicles will be considered. Fund-of-funds or funds submitted by a Placement Agent will not be considered. Please refer to Section IV for qualifications of the assignment and general terms and conditions.

IMRF intends to allocate at least $50 million to residential real estate funds. Multiple managers will be considered.

There is no expressed or implied obligation for IMRF to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

IMRF reserves the right to reject any or all proposals submitted. All proposals submitted will be evaluated by members of the IMRF Staff and IMRF’s investment consultant (“Consultant”), Wilshire Advisors. The finalist(s) will be asked to make a formal in-person presentation to the IMRF Investment Committee of the IMRF Board of Trustees. Selection of the investment manager(s) is subject to final approval by the IMRF Board of Trustees.

* 1. ***Objective of the RFP***

IMRF is soliciting proposals from residential real estate funds. The objective of the RFP process is:

* To provide sufficient information for the preparation of competitive proposals by qualified residential real estate management firms.
* To provide a fair and objective evaluation of proposals.
* To establish a contractual relationship between the successful respondent(s) and IMRF.
  1. ***Timeline***

1. Requests for Proposals issued by IMRF on Monday, October 28, 2024.
2. Inquiries for interpretation must be received by 5:00pm CST on Monday, November 4, 2024.
3. Responses to inquiries will be posted by 5:00 pm CST on Tuesday, November 12, 2024.
4. Proposals must be received by the end of the day (11:59pm CST) on Friday, November 22, 2024.
5. First round interviews are expected to take place virtually the week of December 16, 2024.
6. On-site due diligence meetings at respondents’ offices are expected to take place between January 6 - 17, 2025.
7. Finalists are expected to present to the IMRF Investment Committee on Thursday, February 20, 2025.

While there is no fixed date for the selection of a firm(s), it is anticipated that the selection of the

firm will be completed by Friday, February 21, 2025.

* 1. ***Quiet Period***

The Quiet Period begins on October 28, 2024, and is the period of time beginning when the RFP is issued and ends when the firm(s) is (are) selected by the IMRF Board or the process is declared complete. Respondents should direct all questions and communications regarding this search during the Quiet Period to [InvestmentsResponses@imrf.org](mailto:InvestmentsResponses@imrf.org). To avoid any violation of the quiet period, Wilshire Advisors and Callan LLC will be assisting with this RFP.

Incumbent investment management firm respondents may communicate with the IMRF Board members during the Quiet Period but may not discuss this search with IMRF Board members during the Quiet Period. The purpose of the Quiet Period is to ensure that all prospective firms have equal access to information regarding the search objective and requirements; to be certain that communications are consistent and accurate; and to make the search process and selection process efficient, diligent, and fair.

The Quiet Period will be posted to the IMRF website to prevent inadvertent violations by firms responding to this RFP.

IMRF Board members and members of the Staff not directly involved in this search shall refrain from communicating with the respondents regarding any product or service related to this search during the Quiet Period unless this communication takes place during a formal site visit or interview conducted as part of this search.

An RFP respondent will be disqualified for violating the Quiet Period.

Offering or providing anything of value to the IMRF Board members and members of the Staff is prohibited.

1. **Background Information on IMRF**
   1. ***Plan Description***

IMRF is a defined benefit, public pension plan established and governed by the Illinois Pension Code (40 ILCS 5/1-101 et seq), created for the exclusive purpose of providing retirement, death, and disability benefits to employees of local units of government and school districts in Illinois. IMRF was 96.6% funded on an actuarial basis and 95.2% funded on a market value basis as of December 31, 2023. To review IMRF’s 2023 Annual Comprehensive Financial Report, please visit: <https://www.imrf.org/en/about-imrf/transparency/annual-financial-report>.

IMRF is governed by a Board of eight elected trustees. Four are elected by employers, three are elected by participating members and one is elected by annuitants. For more information on the IMRF Board, please visit: <https://www.imrf.org/en/about-imrf/board-of-trustees/board-of-trustees-directory>.

The selected investment management firm will work directly with the IMRF Investment Department Staff, which is comprised of 17 individuals including 15 investment professionals. The Investment Department is led by the Chief Investment Officer and is organized by key function areas: Public Markets, Private Markets, Internal Management, Diversity Programs & Total Portfolio, and Portfolio Management & Investment Strategy.

The members of the Board, employees of the Board, and agents thereof stand in a fiduciary relationship to the members of the system regarding the investment and disbursement of any of the monies in the Fund. In exercising this fiduciary responsibility, the Board is governed by the prudent person rule.

IMRF’s current Statement of Investment Policy can be found at:

<https://www.imrf.org/en/investments/policies-and-charter/investment-policies>.

The Statement of Investment Policy is reviewed by the Board on an annual basis and may be amended from time to time by a majority vote of the Board.

* 1. ***Portfolio Overview***

IMRF’s portfolio is diversified and global in nature, having a total market value of $54.9 billion as of July 31, 2024. Approximately 88.5% of the portfolio is managed by external investment managers with full discretion within agreed upon investment guidelines. Approximately 11.5% of the portfolio is managed internally by Staff through quantitative equity strategies. IMRF Staff also manages its Alternative and Real Assets exposure, predominately through direct primary fund commitments and co-investments. The current IMRF Master Trustee is The Northern Trust Company located in Chicago, Illinois.

Portfolio Allocations as of July 31, 2024, were as follows:

Table

Description automatically generated with medium confidence

* 1. ***Portfolio Long-Term Objectives***

The Board has a responsibility to make investment decisions with the objective of obtaining superior long-term total rates of return while using parameters of prudent risk management and reasonable control of costs. To assure an adequate accumulation of assets in the Fund, the investment objectives are to:

1. Achieve for the Total Fund a rate of return in excess of the assumed actuarial investment rate of return of 7.25%.
2. Achieve for the Total Fund a rate of return in excess of the Total Fund Benchmark. The Total Fund Benchmark is a blend of the asset class benchmark returns weighted by the target allocation for each asset class.

The Total Fund Benchmark is equal to the sum of:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **1/1/2024 Benchmark** | | |
| Asset Class | Benchmark Weighting | Policy Benchmark Index | Custom Policy Benchmark Components |
| U.S. Equity | 34.5% | Custom U.S. Equity Benchmark | 93% Russell 3000 Index |
| 7% FSTE Global Core Infrastructure 50/50 Index (Net) |
| International Equity | 18.0% | MSCI All Country World Index ex USA (net) |  |
| Fixed Income | 24.5% | Custom Fixed Income Benchmark | 82% Bloomberg U.S. Aggregate Bond Index |
| 8% ICE BofA U.S. High Yield Cash Pay Index |
| 10% Custom Global Bank Loan Index\* |
| Private Real Assets | 10.5% | Custom Private Real Assets Benchmark | 95% NCREIF ODCE Index |
| 5% CPI +4% |
| Alternative Investments | 11.5% | Custom Alternative Investments Index | 87% MSCI World Index (Net) (1 QtrLag) + 3% |
| 13% S&P/LSTA U.S. Leverage Loan 100 Index +2% |
| Cash | 1.0% | 3-month T-Bills |  |

1. **Services to be Performed**

IMRF continually seeks to employ investment managers who possess superior capabilities in the management of the assets for public retirement funds. IMRF further requires those investment managers selected and working on its behalf to meet the following set of conditions:

1. To recommend actions which in their best professional judgment are in the best interests of IMRF to meet the investment objectives of this RFP. Such recommendations include but are not limited to: (a) the allocation of assets among Private Real Estate opportunities; (b) the acquisition, monitoring and management and disposition of investments per the limited partnership agreement and the private placement memorandum.
2. At a minimum, to report to the IMRF, in writing, quarterly financial statements and annual audited financial statements, including capital account balance statement and a schedule of investments.
3. Additional responsibilities as detailed in the limited partnership agreement and related documents.
4. **Qualifications for Assignment**

Eligible firms will have an established firm in place with all key personnel required to operate the firm employed.

If selected as a finalist, the firm must be registered as an investment adviser, or a bank as defined under the Investment Advisers Act of 1940 or qualifies as an Exempt Reporting Adviser.

If selected as a finalist, firm must be bonded in accordance with the provisions of the Employee Retirement Income Security Act of 1974.

If selected as a finalist, firm must agree to act as a fiduciary.

If selected as a finalist, the firm must be familiar with and be prepared to comply with Articles 1 and 7 of the Illinois Pension Code. Click on link to view: [Illinois Pension Code](https://www.imrf.org/en/about-imrf/illinois-pension-legislation/illinois-pension-code).

If selected as a finalist, the firm must complete the certifications in Exhibits A, B, C.

Only firms currently fundraising or nearing the beginning of their fundraising period will be considered.

1. **Specifications for Assignment**

At the point of contract, the final detailed Limited Partnership Agreement will be agreed upon between IMRF and the selected firm(s). The terms of the final contract will be binding and supersede this RFP. In addition, IMRF will require the successful firm(s) to acknowledge, in writing, that it is a fiduciary with respect to IMRF’s investment. The following completed certifications will also be required:

1. Exhibit A: IMRF Disclosure Schedule of Certification
2. Exhibit B: High Risk Home Loan Act Certification
3. Exhibit C: Illinois Governmental Ethics Act Certification

The investment manager and product submitted shall not be a Fund-of-funds, or funds submitted by a Placement Agent. Closed-ended Limited Partnerships will be the only vehicle being considered.

IMRF’s sample side letter is attached. At the time of contract, IMRF expects the attached standard provisions to be part of the side letter. Additional provisions may be added after full review of legal documents and dependent on legal negotiations.



1. **Requirements and Instructions for RFP Completion**
   1. ***Delivery Instructions***

Responses are required to be submitted electronically in their original format to Wilshire Advisors at [IMRFpm@wilshire.com](mailto:IMRFpm@wilshire.com) and to IMRF at [InvestmentsResponses@imrf.org](mailto:InvestmentsResponses@imrf.org), no later than the end of day Friday, November 22, 2024.

All proposals must be complete in every respect and must answer concisely and clearly all questions asked in this RFP. Late proposals will not be accepted.

* 1. ***Disclosure of Proposal Content***

In submitting a proposal, respondents recognize that IMRF is subject to the Illinois Freedom of Information Act and, as such, the proposal may be subject to public disclosure after selection of an investment manager. Trade secrets or proprietary information must be clearly identified as such in the proposal and will not be released to the extent permitted by law.

* 1. ***Disposition of Proposals***

All proposals become the property of IMRF and will not be returned to the respondent. IMRF reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between IMRF and the firm selected.

* 1. ***Signature of Respondent Agent***

The tendered proposal, and any clarifications to that proposal, shall be signed by an officer of the responding firm or a designated agent empowered to bind the firm in a contract.

1. **Selection Process**
   1. ***Overview***

IMRF reserves the right to award this contract to the firm(s) which, in its sole opinion, will provide the best match to the requirements of the RFP. IMRF reserves the right to reject respondents due to their noncompliance with the requirements of this RFP. Additionally, IMRF reserves the right not to hire or defer the hiring of any firm.

* 1. ***Selection Process***

Staff and Consultant will review the RFP responses to identify qualified candidates based on the criteria presented in the RFP. Staff and Consultant may interview all, some, or none of the RFP respondents, conduct site visits to respondent offices, and conduct such other due diligence as is prudent under the circumstances.

Staff and Consultant will prepare a search report and present it to the Investment Committee. The Investment Committee will interview the finalist(s) and will determine if a recommendation for the award of a contract will be made to the Board. The Board shall then act on the recommendation of the Investment Committee.

During the selection process, all respondents to the RFP will be evaluated based upon four primary factors:

People – stability of the organization, ownership structure, documented experience in the management of institutional portfolios, reputation of key professionals, manager tenure, depth of portfolio team and research team, length of team cohesiveness, and record of integrity and business ethics.

Process – clearly defined, reasonable, and repeatable investment strategy, consistency of application, risk controls, and uniqueness of the process.

Performance – documented ability to meet investment long-term performance relative benchmarks, risk compared to benchmarks, and consistency of performance relative to peers.

Pricing – fee schedule and associated costs are expected to be competitive and will be a significant consideration.

Staff is required to identify all minority and women-owned firms and firms owned by persons with a disability in the report presented to the Board of Trustees. Staff must specify reasons when these firms are not brought forward as finalists.

1. **RFP Questionnaire** 
   1. ***General Information***
      1. Complete the following table:

|  |  |
| --- | --- |
| Firm Name |  |
| Address |  |
|  |  |
| Client Contact: |  |
| Title: |  |
| Telephone: |  |
| Email Address: |  |
| Firm Website: |  |

* + 1. Please indicate your firm’s fiduciary classification:

Registered Investment Advisor

(registered under the federal Investment Advisors Act of 1940)

Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

* + 1. Please acknowledge that your firm, if chosen, will act as a fiduciary with respect to IMRF.

Yes  No

* + 1. Does your firm qualify as a minority owned business, a woman owned business or as a business owned by a person with a disability as these terms are defined in the Illinois Business Enterprise for Minorities, Women, and Persons with Disabilities Act (greater than 51% ownership)?

Yes  No

* 1. ***DDQ and Data Request***
     1. Complete the following documents in their entirety. Please note there are multiple tabs to complete within each Excel file. IMRF reserves the right to request additional performance data at later stages of the process.





* 1. ***Nasdaq eVestment/TopQ Data Request***
     1. Please login to TopQ and upload the **Real Estate template** with your firm’s historic track record.

**Getting Started:**

1. ***Register:*** New users may register for a free TopQ account [here](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.nasdaq.com%2Fsolutions%2Fevestment%2Fprivate-markets%2Fsubmit-my-data&data=05%7C02%7Crtalaga%40imrf.org%7C824c726def214bbc06f908dcc866ee96%7C34c4e1bae51a4f6fa8f63d947bf618c2%7C0%7C0%7C638605591636034826%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=u0mlL9u0Hn9gIf67Ilx%2BZU5gEClzxZiAjRYf3MadURw%3D&reserved=0).
2. ***Download Template:*** [Login](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fapp.evestment.com%2F&data=05%7C02%7Crtalaga%40imrf.org%7C824c726def214bbc06f908dcc866ee96%7C34c4e1bae51a4f6fa8f63d947bf618c2%7C0%7C0%7C638605591636047448%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=H%2FdptPJbgzxZSmEEht6N%2FTBWUd4OegHHo5KzkBjbV6A%3D&reserved=0) at app.evestment.com to download the appropriate template for your asset class and [complete](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Flearn.evestment.com%2Fhc%2Fen-us%2Farticles%2F4418755646733-Completing-the-TopQ-Template&data=05%7C02%7Crtalaga%40imrf.org%7C824c726def214bbc06f908dcc866ee96%7C34c4e1bae51a4f6fa8f63d947bf618c2%7C0%7C0%7C638605591636058751%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=BM2xTZrsUgA1Kvm4sdAAjrcrR9a%2F5T2hnZhRVMmn5JM%3D&reserved=0) with your firm’s data.
3. ***Upload:*** Once the template is ready, [upload](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Flearn.evestment.com%2Fhc%2Fen-us%2Farticles%2F4418995034125-Uploading-a-Track-Record&data=05%7C02%7Crtalaga%40imrf.org%7C824c726def214bbc06f908dcc866ee96%7C34c4e1bae51a4f6fa8f63d947bf618c2%7C0%7C0%7C638605591636067065%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=4QMUcKsUA96z7qlKnusoUxZkgirih7p0npuulWskIko%3D&reserved=0) your track record.
4. ***Verify:*** Review your inputs to confirm accuracy of the data through a performance report output .
5. ***Share:*** Securely provision access of the track record to Illinois Municipal Retirement Fund via the [share](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Flearn.evestment.com%2Fhc%2Fen-us%2Farticles%2F13569951958797-Sharing-a-Track-Record&data=05%7C02%7Crtalaga%40imrf.org%7C824c726def214bbc06f908dcc866ee96%7C34c4e1bae51a4f6fa8f63d947bf618c2%7C0%7C0%7C638605591636074045%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=sSCTORLkfSibyPqTe8z53BlZ%2F%2FZJBlwD9rw8xCGLGmc%3D&reserved=0) icon .

If you need assistance at any point, please feel free to reach out to the Nasdaq eVestment team at [eVPrivateMarkets@nasdaq.com](mailto:eVPrivateMarkets@nasdaq.com).

* 1. ***Additional Documents requested***
     1. Please include the following documents as part of your RFP response:

Appendices to Questionnaire:

1. Private Placement Memorandum
2. Firm standard DDQ (if applicable)
3. Legal documents including but not limited to Limited Partnership Agreement, Investment Management Agreement, etc.
4. ADV Part I and Part II
5. **Appendices and Exhibits to the Questionnaire:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Exhibit Listing** | | | |  |  |
|  |  |  |  | |  |
|  | Exhibit | A | IMRF Disclosure Schedule Certification | |  |
|  | Exhibit | B | High Risk Home Loan Act Certification | |  |
|  | Exhibit | C | Disclosure of Fees, Commissions, Penalties and Other Compensation Certification | |  |
|  | Exhibit | D | Minority, Woman, and Person with a Disability Owned Business Certification | |  |
|  | Exhibit | E | EEOC Diversity Profile Template | |  |
|  | Exhibit | F | Disclosures per Illinois Pension Code Section 1-113.21 | |  |
|  | Exhibit | G | Certificates of Insurance | |  |

**Exhibit A. IMRF Disclosure Schedule Certification**

**INSTRUCTIONS**

**IMRF Disclosure Schedule Certification**

For an Investment Advisor or Consultant to be eligible to provide services to the Illinois Municipal Retirement Fund (IMRF), your firm must complete the IMRF Disclosure Schedule Certification, which includes an acknowledgement that your firm is familiar with the provisions of Sections 1-135 and 1-145 of the Code.

All Managers / Consultants MUST complete this form.

**IMRF Disclosure Schedule Certification**

**Page 1 of 2**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ warrants and represents to IMRF as follows:

(Firm Name)

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

(i)

(ii)

(iii)

(iv)

(v)

The following is a true, accurate and a complete list of the names and addresses of all subcontractors, if applicable, and the expected amount of money each will receive under the contract, including an acknowledgment that the contractor must promptly make notification, in writing, if at any time during the term of the contract a contractor adds or changes any subcontractors. (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”)*

IMRF Disclosure Schedule Certification

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**IMRF Disclosure Schedule Certification**

**Page 2 of 2**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ acknowledges that it is familiar with the provisions of

(Firm Name)

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 in an attempt to defraud the retirement system or pension fund 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 5/1‑145)

|  |
| --- |
| **INVESTMENT MANAGER / CONSULTANT:** |
| Company Name: |
| Signature: |
| Printed Name |
| Title: |
| Dated: |

IMRF Disclosure Schedule Certification

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**Exhibit B. High Risk Home Loan Act Certification**

**High Risk Home Loan Act**

**INSTRUCTIONS**

In order for an Illinois finance entity to be eligible to invest or deposit IMRF funds, it must annually certify that it complies with the requirements of the High Risk Home Loan Act (815 ILCS 137). The full text of the Act can be found at [www.ilga.gov](http://www.ilga.gov); click on: Illinois Compiled Statutes; click on: Chapter 815 Business Transactions lastly, click on: 815 ILCS 137/ High Risk Home Loan Act.

An Illinois finance entity is defined by the Illinois Pension Code (40 ILCS 5/1-110.10(a)) as:

*any entity chartered under the Illinois Banking Act, the Savings Bank Act, the Illinois Credit Union Act or the Illinois Savings and Loan Act of 1985, and any person or entity licensed under the Residential Mortgage License Act of 1987, the Consumer Installment Loan Act or the Sales Finance Agency Act.*

Using the definition of an Illinois finance entity given above, please advise us of your status by checking the appropriate box on the certification page. For those entities that are an Illinois finance entity, please also complete the Certification of Compliance *Illinois High Risk Home Loan Act* form.

All Managers / Consultants MUST complete the first page of this form.

**Illinois Finance Entity Certification**

**Yes, we are an Illinois finance entity as defined by the Illinois Pension Code (40 ILCS 5/1-110.10 (a))**

**(Please complete the Certification of Compliance *Illinois High Risk Home Loan***

***Act* form attached.)**

**No, we are not an Illinois finance entity as defined by the Illinois Pension Code (40 ILCS 5/1-110.10 (a)**

**(Please skip the Certification of Compliance *Illinois High Risk Home Loan Act* form attached.)**

|  |
| --- |
| **INVESTMENT MANAGER / CONSULTANT:** |
| **Company Name:** |
| **Signature:** |
| **Printed Name** |
| **Title:** |
| **Dated:** |

**Illinois Municipal Retirement Fund**

Certification of Compliance

*Illinois High Risk Home Loan Act*

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, serving in the capacity of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, on this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2024, being duly sworn and having knowledge of all matters set forth herein, state, affirm and certify as follows:

1. I represent \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and I am duly

authorized to provide this certificate on its behalf.

2. I am aware of the requirements of Section 1-110.10 of the Illinois Pension Code (40

ILCS 5/1-110.10), as well as the requirements of the High Risk Home Loan Act, (815 ILCS 137) (Act), and any rules adopted pursuant thereto.

3. Under the terms of the Illinois Pension Code, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

is deemed an Illinois Finance Entity.

4. I am aware that no pension fund assets may be handled by the Illinois Finance Entity if

it is not in compliance with the provisions of the High Risk Home Loan Act, including

the filing of a completed certification with the Illinois Municipal Retirement Fund.

5. I certify that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is in compliance with all the

requirements of the High Risk Loan Act and the rules adopted pursuant to the Act.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Firm)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­ \_\_\_\_\_\_\_\_

(Signature)

\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_

(Name of Officer)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­­\_\_\_\_\_

(Title)

Subscribed and sworn before me by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2024.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary

*My Commission Expires:*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(*Seal*)

(Firm)

State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

County of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ )

**Exhibit C. Disclosure of Fees, Commissions, Penalties and Other Compensation Certification**

**INSTRUCTIONS**

Under the Illinois Pension Code, Investment Advisors and Consultants must annually certify that they are in compliance with certain sections of the Code in order to be eligible to provide services to an Illinois public pension fund.

All Managers / Consultants MUST complete this form.

**Disclosure of Fees, Commissions, Penalties and Other Compensation Certification**

Section 1-113.14(c) of the Illinois Pension Code (40 ILCS 5/1-113.14(e)) provides as follows:

*(e)… each investment adviser or consultant currently providing services or subject to an existing contract for the provision of services must disclose to the board of trustees all direct and indirect fees, commissions, penalties, and other compensation paid by or on behalf of the investment adviser or consultant in connection with the provision of those services and shall update that disclosure promptly after a modification of those payments or an additional payment. The disclosures required by this subsection (e) shall be in writing and shall include the date and amount of each payment and the name and address of each recipient of a payment.*

Pursuant to the foregoing, the undersigned (“Investment Manager or Consultant”) covenants, warrants and represents to the Trustees of the Illinois Municipal Retirement Fund (“IMRF”) as follows:

1. Investment Manager/Consultant and IMRF are parties to an Investment Advisory Agreement dated \_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Agreement”), pursuant to which Investment Manager/Consultant provides investment advisory services to IMRF.

|  |
| --- |
| **INVESTMENT MANAGER / CONSULTANT:** |
| Company Name: |
| Signature: |
| Printed Name |
| Title: |
| Dated: |

1. There have been no direct or indirect fees, commissions, penalties, or other compensation, including reimbursement for expenses, paid by or on behalf of your firm in connection with the provision of services to IMRF pursuant to the Agreement, except as follows: *(If none, state “none”; otherwise state the date and amount of each payment and the name and address of each recipient of a payment)*:

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Investment Manager/Consultant shall update the above disclosure promptly after a modification of those payments or an additional payment.

**Exhibit D. Minority, Woman, and Person with a Disability Owned Business Certification**

**INSTRUCTIONS**

**Minority, Woman and Person with a Disability Owned Business Certification**

The Illinois Municipal Retirement Fund Board of Trustees has adopted a policy which sets forth goals for increasing the utilization of qualified minority, woman and person with a disability owned business enterprises in the Fund’s management of its investment assets and use of its service providers. As an IMRF investment manager, broker, or service provider, we ask that you confirm if your company meets the requirements to be classified as a “Minority Owned Business” or a “Woman Owned Business” or a “Person with a Disability Owned Business” as detailed in Illinois Statute 30-ILCS-575: Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

When a business concern is owned at least 51% by any combination of minority persons, women, or persons with disabilities, even though none of the 3 classes alone holds at least a 51% interest, the ownership requirement for purposes of this Act is considered to be met. The certification category for the business is that of the class holding the largest ownership interest in the business. If 2 or more classes have equal ownership interests, the certification category shall be determined by the business concern.

The full text of Illinois Statute 30-ILCS-575 can be found at [www.ilga.gov](http://www.ilga.gov); click on: Illinois Compiled Statutes; click on: Chapter 30 Finance; lastly, click on: 30 ILCS 575/ Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

All Managers / Consultants MUST complete this form.

**Minority, Woman and Person with a Disability Owned Business Certification**

**Pursuant to Illinois Statute 30-ILCS-575: Business Enterprise**

**for Minorities, Women, and Persons with Disabilities Act**

Our firm verifies that it *DOES NOT* meet the requirements to be classified as a “Minority, Woman and/or Person with a Disability Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

Our firm verifies that it *DOES* meet the requirements to be classified as a: *(must choose ONE)*

“Minority Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

African American  Asian  Latino  Other

“Women Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

“Person with a Disability Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

If your firm *DOES* meet the requirements to be classified as a “Minority, Woman and/or Person with a Disability Owned Business” as defined in Illinois Statute 30-ILCS-575 Business Enterprise for Minorities, Women, and Persons with Disabilities Act, please select your firm’s AUM:

$10 million but less than $10 billion

Equal to or greater than $10 billion

***Note*: *If your firm is certified as a Minority Owned Business by a State or local government entity, please include a copy of that certification.***

|  |
| --- |
| **INVESTMENT MANAGER / CONSULTANT:** |
| **Company Name:** |
| **Signature:** |
| **Printed Name** |
| **Title:** |
| **Dated: , 2024** |

**Exhibit E. EEOC Diversity Profile Template**

**Equal Employment Opportunity Commission Statistics**

All of IMRF’s domestic equity, fixed income, international equity, real assets, alternative investment managers, and investment consultants are required to provide IMRF, on an annual basis, data on the ethnic make-up of their employee base. This information is reported to the Illinois Governor and General Assembly as part of IMRF’s Annual Diversity Report.

We ask for your cooperation in providing us with your firm’s ethnic make-up information as of December 31, 2023. An Excel template is attached for completion.

All data should be for Full-Time employees and is as of the most current date available by the managers.

**Please list all individuals employed by your firm (add additional rows as needed)**



\* Other minority represents those classifications not listed in the table

**Frequently Asked Questions**

**If a woman employee classifies under multiple classifications (i.e. African American Woman), which classification do I select?**

You should select the minority classification, not the woman classification.

**If an employee classifies under multiple classifications (i.e. African American and Latino), which classification do I select?**

You should select either African American or Latino as to not double count your employees.

**Our firm does not disclose employee classifications, what do I fill out?**

If your firm does not disclose, or an employee chooses not to disclose their classification, please enter the values in the not disclosed column.

**Exhibit F. Disclosures per Illinois Pension Code Section 1-113.21**

**Disclosures per Illinois Pension Code Section 1-113.21**

Beginning January 1, 2015, section 1-113.21 of the Illinois Pension Code requires the following disclosure from the investment advisor, consultant, or private market fund. Please complete items numbered 1, 2 and 3.

**Name of investment advisor, consultant, or private market fund: \_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Data as of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

1. The number of its investment and senior staff and the percentage of its investment and senior staff who are (i) a minority person (ii) a woman, and (iii) a person with a disability1.

[A numerical value must be entered in each box. If this information is not available or your firm does not track, enter 0.]

|  |  |  |
| --- | --- | --- |
| Staff Classification | Number of Investment and Senior Staff Who Are | Percentage of Investment and Senior Staff Who Are |
| Minority person  (Men and Women) |  | % |
| Woman  (Non-Minority Women) |  | % |
| Person with a Disability  (Men and Women) |  | % |
| Non-Minority, Woman, or Disabled |  | % |
| Grand Total |  | 100% |

1. The number of contracts, oral or written, for investment services, consulting services and professional and artistic services that the investment advisor, consultant, or private market fund has with (i) a minority owned business, (ii) woman owned business, or (iii) a business owned by a person with a disability1. Examples of service types include but are not limited to legal, accounting, investment banking, human resources, or any other service where a contract is in place.

[A numerical value must be entered in each box. If this information is not available or your firm does not track, enter 0.]

|  |  |  |
| --- | --- | --- |
| Business Classification | Number of Contracts | Service Type |
| Minority owned business  (Men and Women) |  |  |
| Woman owned business  (Non-Minority) |  |  |
| Business owned by a person with a disability  (Men and Women) |  |  |

1. The number of contracts, oral or written, for investment services, consulting services, and professional and artistic services the investment advisor, consultant, or private market fund has with a business other than (i) a minority owned business, (ii) woman owned business or (iii) a business owned by a person with a disability, if more than 50% of services performed pursuant to the contract are performed by (i) a minority person, (ii) a woman, and (iii) a person with a disability1. Examples of types of services include but are not limited to legal, accounting, investment banking, human resources, or any other service where a contract is in place.

[A numerical value must be entered in each box. If this information is not available or your firm does not track, enter 0.]

|  |  |  |
| --- | --- | --- |
| Classification of Person Performing Services at Majority owned firm | Number of Contracts | Service Type |
| Minority person  (Men and Women) |  |  |
| Woman  (Non-Minority) |  |  |
| Person with a Disability  (Men and Women) |  |  |

|  |
| --- |
| **INVESTMENT ADVISOR / CONSULTANT/ PRIVATE MARKET FUND:** |
| **Company Name:** |
| **Signature:** |
| **Printed Name:** |
| **Title:** |
| **Dated:** |

**Note: Please read the following pages for classification definitions and an example. If you have further questions, please contact IMRF.**

Illinois Public Act 98-1022 website: <http://www.ilga.gov/legislation/publicacts/98/PDF/098-1022.pdf>

Business Enterprise for Minorities, Women and Persons with Disabilities Act website: <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=550&ChapterID=7>

1Definitions per Illinois Law

Illinois Legislation & Laws website: <http://www.ilga.gov/>

"Contract" means all types of [State] agreements, regardless of what they may be called, for the procurement, use, or disposal of supplies, services, professional or artistic services, or construction or for leases of real property where the [State] is the lessee, or capital improvements, and including renewals, master contracts, contracts for financing through use of installment or lease-purchase arrangements, renegotiated contracts, amendments to contracts, and change orders.

 “Investment adviser”, "investment advisor", or "investment manager" with respect to a pension fund or retirement system established under Illinois Code if the person:

(1) is a fiduciary appointed by the board of trustees of the pension fund or retirement system in accordance with Section 1-109.1;

(2) has the power to manage, acquire, or dispose of any asset of the retirement system or pension fund;

(3) has acknowledged in writing that he or she is a fiduciary with respect to the pension fund or retirement system; and

(4) is at least one of the following: (i) registered as an investment adviser under the federal Investment Advisers Act of 1940 (15 U.S.C. 80b-1, et seq.); (ii) registered as an investment adviser under the Illinois Securities Law of 1953; (iii) a bank, as defined in the Investment Advisers Act of 1940; or (iv) an insurance company authorized to transact business in this State.

**“Minority person”** means a person who is a citizen or lawful permanent resident of the United States and who is a member of a minority as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

(a)American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).

(b) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).

(c) Black or African American (a person having origins in any of the black racial groups of Africa).

(d) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).

(e) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).

**"Woman"** means a person who is a citizen or lawful permanent resident of the United States and who is of the female gender. For the purposes of this disclosure only include non-minority woman in this category.

**"Person with a disability"** means a person who is a citizen or lawful resident of the United States and is a person qualifying as a person with a disability.

**"Minority owned business"** means a business concern which is at least 51% owned by one or more minority persons, or in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it.

**"Woman owned business"** means a business concern which is at least 51% owned by one or more woman, or, in the case of a corporation, at least 51% of the stock in which is owned by one or more woman; and the management and daily business operations of which are controlled by one or more of the woman who own it.

**"Business owned by a person with a disability"** means a business concern that is at least 51% owned by one or more persons with a disability and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it. A not-for-profit agency for persons with disabilities that is exempt from taxation under Section 501 of the Internal Revenue Code of 1986 is also considered a "business owned by a person with a disability".

**Example**

An investment manager has an investment and senior staff of 10 people that are citizens or lawful permanent residents of the United States. These individuals make up the following categories: 1 Asian, 2 African American, 2 Hispanic and 3 Woman (non-minority).

* Minority person equals 5 or 50% of investment and senior staff
* Woman equals 3 or 30% of investment and senior staff
* Person with a disability equals 0 or 0% of investment and senior staff
* Non-minority, woman, or person with a disability equals 2 or 20% of investment and senior staff
* Grand Total equals 10 or 100% of investment and senior staff

|  |  |  |
| --- | --- | --- |
| **Staff Classification** | **Number of Investment and Senior Staff Who Are** | **% Percentage of Investment and Senior Staff Who Are** |
| **Minority person (Men and Women)** | 5 | 50% |
| **Woman (Non-Minority Women)** | 3 | 30% |
| **Person with a Disability (Men and Women)** | 0 | 0 % |
| **Non-Minority, Woman, or Disabled** | 2 | 20% |
| **Grand Total** | 10 | 100% |

**Exhibit G. Certificates of Insurance**

**Certificates of Insurance**

Please fill out the table below detailing your current insurance coverage, and submit a copy of these Certificates of Insurance, along with any other insurance required by law.

|  |  |  |  |
| --- | --- | --- | --- |
| Insurance Type | Amount of Coverage | Amount of Each Occurrence | Deductible Amount per policy |
| Professional Liability Insurance including Errors & Omissions |  |  |  |
| Financial Institution Blanket Bond Coverage including Computer Crime |  |  |  |
| Commercial General Liability |  |  |  |
| Umbrella Liability coverage |  |  |  |
| Workers’ Compensation |  |  |  |
| Cybersecurity Insurance |  |  |  |
| Breach of fiduciary responsibility |  |  |  |