**Instructions:**

**Please return this questionnaire in word format (i.e. not in pdf).**

**Please do not alter the format of this template.**

**Please do not change or modify text in Green or Blue shaded boxes.**

**Please provide answers in white boxes only.**

**Please provide any legal disclaimers as a separate attachment (i.e. do not include as part of this document).**

**Collateralized Loan Obligations Investment Management Services**

**CLO Questionnaire**

**[Investment Firm Name]**

*[Investment Product]*

**Information requested as of 3/31/25 (unless otherwise stated)**

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| **Investment Product Overview**  |
| **Product History** | [Please provide an overview of the history of the product you specifically uploaded into eVestment. Have there been any material changes to the strategy over the past five years? If so, please describe.] |
| **Product Benchmark** | [Please identify the benchmark used for the product.] |
| **Product Size ($M)** | **Quarter End** | [Please enter as of 3/31/25.] |
| **Recent Client Redemptions / Terminations** | [Please enter redemptions and/or client terminations ($) that have occurred in the past 5 years, including the number, types of clients and reasons for redemptions.] |
| **Recent Additions**  | [Please enter additions ($) that have occurred in the past 5 years and how many and the types of clients.] |
| **Targeted Excess Return**  | [Please enter an annualized % or range of excess returns you expect to earn above your preferred benchmark over a five-year period and identify the benchmark (e.g., J.P. Morgan CLO Index (CLOIE), Palmer Square CLO Index, etc.).][What would your expected excess return be given a maximum tracking error limit of 1.5%?][What would your expected excess return be for an AA/A portfolio versus an AA/A index given a maximum tracking error limit of 1.5%?] |
| **Expected Tracking Error** | [Please enter an annualized % or range of anticipated standard deviation for the investment product over the same period as the Targeted Excess Return.] |
| **Investor Base** | [Please break out the product’s investor base by type (e.g., Insurance Companies, Pensions, Endowments, Fund of Funds, High Net Worth). What is the total number of clients and AUM for the product? How many insurance clients and the total AUM for those clients are invested in the product? Please differentiate affiliated assets.] |

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| **Product Strategy** |
| **Product Investment Style** | [Please describe the investment style/philosophy.] |
| **Product Investment Universe** | [Please provide a detailed description of the product’s investment universe (e.g., what the product invests in). Please include relevant descriptive statistics and maximum amounts (e.g., geographic regions, instruments, sectors, sub-sectors, ratings, etc.).] |
| **Definition of Specified Product** | [How does the strategy define “CLO” credit fixed income? Outline your Firm’s experience with major sectors of the bond market including non-investment grade, non-USD, default securities, credit down-grades, bank loans, etc.] |
| **Investment Guidelines** | [Please describe the general guidelines in place for your existing strategy. At a minimum please include the maximum position size, average number of positions, limits, on non-exposure, rating guidelines, active duration limits and Tracking Error limits.]  |
| **Changes in Style or Investment Universe** | [Please outline any changes in the product’s investment strategy or investment universe since inception. Please include estimated date when change was adopted.] |
| **Investment Philosophy/ Value Creation Process** | [Please describe in detail how your Firm adds value to the portfolio relative to the benchmark.]  |
| **Unique Approach** | [Please describe what your Firm’s understanding is of the most important considerations in managing this product. What distinguishes your approach from others? What are the strategy’s key competitive advantages and differentiating factors and the sources of consistency and durability?]  |
| **Reporting** | [Please provide a sample of your full client reporting suite and outline when (# of days after month end) these reports can be delivered to your prospective client daily, monthly, quarterly.]  |

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| **Research Process** |
| **Research Process Overview** | [Please provide an overview of the Firm’s research process.] |
| **Team** | [Provide an organizational chart of the research team and outline which members are responsible for what task.] |
| **Vetting Process for Investments** | [Please describe the team’s due diligence activities. Include in your description answers to the following questions:* What are the top 5 characteristics you look at when you carry out CLO manager due diligence?
* What is the minimum CLO AUM for a CLO manager to be approved?
* Do you have an approved list of managers? If so, how many CLO managers are on it? When was the last time you added/removed any manager from the list over the past 5 years?]
 |
| **Meetings** | [Please describe any formalized meetings that occur surrounding the research process. (E.g., Who attends? What is their frequency? What is discussed? What are the resulting actions from the meetings? Is consensus necessary to move forward? What happens if no consensus is reached? How often does this occur?)] |
| **Credit Coverage** | [How many credits does the team cover? How many credits is each analyst expected to cover? Please describe how you narrow down the universe of credits to enable this coverage.] |
| **Research Systems Used** | [Does the Firm have any proprietary technology/systems used to aid in the research process? What other systems are used in the research process?] |
| **Deal language**  | [What is your team’s current view of CLO deal doc language? What language do you dislike/disapprove for AA and A investments?][Give examples of how you have driven deal doc language changes in the past for AA and A investments.] |
| **NAIC Policies** | [What is your team’s perspective on the demand dynamics in the CLO market if the proposed NAIC stress scenarios are implemented?] |
| **CLO ETF** | [What is your team’s perspective on the growth of the CLO ETF market? As CLO ETFs continue to gain market share, how might the supply-demand dynamics of the CLO sector shift during a sell-off environment?] |

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| **Portfolio Construction** |
| **Portfolio Construction Overview** | [Please provide an overview of the portfolio construction process; include an outline of the opportunity set and philosophy on opportunity set, decision making, research and time horizon for investments. Please list the personnel involved. How much time do these individuals spend focused on portfolio construction? Please discuss any other relevant items not captured in the questions above.][Please explain in detail how your credit team’s research directly informs the portfolio construction process.][Are you ever both an equity and a debt investor in the same CLO deal (including cases where that happens for different CLO mandates)? How do you manage competing investment mandates?] |
| **CLO and Loan Investments** | [Does your Firm also invest in leveraged loans? If so, to what extent is there system and information sharing between loan and CLO investing?Does your Firm also issue CLOs? If so, what percentage of loans in invested CLO portfolios aren’t approved for the issued CLOs?Are the Firm’s third-party CLO strategies allowed to invest in self-issued CLOs? What policies are in place to mitigate conflicts of interest?] |
| **Portfolio Allocation** | [Please discuss how portfolio allocation is determined across different style managers and credit profiles within the product. How does the manager think about risk and position sizing? Describe the buy/sell discipline.][How do you decide whether to roll into tranches being refinanced/reset/reissued?] |
| **Bond Sourcing** | [What percentage of CLOs have you sourced in the primary market versus the secondary market in the past?][How many dealers/brokers do you work with when sourcing CLO bonds?] |
| **Expected Number of Positions in Portfolios** | [Please enter a range for the typical number of securities/managers in the portfolio. What is the average holding size? Discuss if this has changed over time and why. How would this change as assets under management increase?] |
| **Investment Holding Period** | [Please outline the portfolio turnover and trading costs (percent of assets) for the proposed product over the past year. Please indicate if that is indicative of the history of the product. How much did portfolio turnover detract from performance over the past year (in basis points)?]  |
| **Monitoring Process**  | [Please describe the portfolio’s monitoring process once an investment is made. Who are the key personnel responsible? How often is the investment thesis revisited, formally or informally? Are there performance triggers that force a formal review? How are decisions to re-size or exit positions made?]  |
| **Defaults/Distressed Situations** | [Please describe how distressed situations are treated. What processes are in place to handle such events? Please provide the following information on distressed situations in the portfolio over each of the last 15 years. For this question please define distresses as * For AA and above rated tranches, using a price of less than $95
* For A-rated tranches, using a price of less than $92
* For BBB and below rated tranches, using a price of less than $85
1. Describe your actions and approach in case of a distressed event;
2. Number of distressed situations dealt with and the impact on the portfolio;
3. What valuation approaches are used in evaluating such securities?
4. What was the average loss (in %) that was incurred due to distressed sales?

In addition, what processes are in place to handle investments getting downgraded/under negative rating watch?What processes are in place to handle deals that are starting to fail coverage tests and are breaching certain portfolio limits?] |
| **Downside Protection** | [Can you please discuss how your portfolio performed during the below three specified time periods? Did the portfolio demonstrate downside protection? If not, why not?1. 10/1/2007 – 3/31/2009: Global Financial Crisis
2. 1/1/2015 – 1/31/2016: Energy Crisis
3. 2/1/2020 – 3/31/2020: COVID-19
4. 1/1/2022 – 12/31/2022: Monetary Tightening]
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| **Key Metrics** | [On the current product, can you provide the following percentages (portfolio weighted average numbers, where applicable, across all CLO holdings):Metrics on underlying CLO collateral:* WARF (weighted average rating factor) using agency ratings
* WAS (weighted average spread)
* % Rated CCC+/Caa1 and below (based on the lowest rating from all agencies)
* % second lien
* % non-US issuers
* Diversity score
* % Largest industry concentration and the industry name
* WAP (weighted average price)
* % of loans with market prices less than $80

Metrics on CLO deals:* Weighted average tranche rating
* Weighted average CE (Credit Enhancement) and weighted average Market Value CE
* Weighted average tranche coupon spread
* Weighted average Price
* Deal leverage (Total debt balance/Total equity balance)]
 |
| **Broadly Syndicated Loans** | [What percentage of your composite includes non-BSL CLO deals? * If your composite allows non-BSL CLO deals, then please provide
	1. The percentage allocation to non-BSL CLO deals on a quarterly basis since inception.
	2. Also provide performance history in Excel of an indicative account or composite that excludes non-BSL CLOs.
* Do you use any collateral other than loans?]
 |
| **Portfolio Construction Systems** | [Does the Firm have any proprietary technology/systems used to aid in the portfolio construction process? What other systems are used in this process?] |
| **Account Transition** | [Could you please describe your process for initiating new mandates? * Over what period would you expect to fully fund (ramp up) a $200mm portfolio?
* If funded with in-kind assets, how would you manage the transition to the target portfolio, particularly in terms of security selection and gain/loss management?]
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|  | **Detailed Summary of Key Professionals**[Please provide a summary of key Product professionals. Please indicate the team assigned to NYSIF. Please add additional rows as necessary.] |
| **Name** | **Title** | **Years at Firm** | **Years in Industry** | **Education and Certifications** | **Insurance Experience** | **Would they be Assigned to NYSIF?** |
| [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] |
| [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] |
| [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] |
| [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] |
| [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] |

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| **Turnover of Key Professionals**[Please provide a summary the turnover key Firm and Product professionals in the last five years.] |
| **Name** | **Title** | **Function** | **Years at Firm** | **Reason for Departure** |
| [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] |
| [Please enter] | [Please enter] | [Please enter] | [Please enter] | [Please enter] |
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| **Firm / Product Key Contacts** |
| **Primary Product Contact** | Name | [Please enter] |
| Title | [Please enter] |
| Business Address | [Please enter] |
| Business Telephone | [Please enter] |
| Business Email | [Please enter] |

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| **Firm / Product References**[Please provide references from the following sources: investors in current product.] |
| **Reference 1** | Name | [Please enter] |
| Relationship to Firm | [Please enter] |
| Firm / Title | [Please enter] |
| Business Address | [Please enter] |
| Business Telephone | [Please enter] |
| Business Email | [Please enter] |
| **Reference 2** | Name | [Please enter] |
| Relationship to Firm | [Please enter] |
| Firm / Title | [Please enter] |
| Business Address | [Please enter] |
| Business Telephone | [Please enter] |
| Business Email | [Please enter] |
| **Reference 3** | Name | [Please enter] |
|  | Relationship to Firm | [Please enter] |
|  | Firm / Title | [Please enter] |
|  | Business Address | [Please enter] |
|  | Business Telephone | [Please enter] |
|  | Business Email | [Please enter] |

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| **Attachments**  |
| **Track Record** | [Please use the template provided (Attachment 5 Performance Track Record.xlsx) to send the below information in Excel for the specified product.Monthly Tab: Gross product returns on a monthly basis from inception to 3/31/25Summary tab: Summary risk and performance data (e.g., tracking error, Sharpe ratio)At a minimum, please include the data for the same track record you submitted via eVestment. You may also submit (in addition) separate performance history that is a collection of one or more illustrative accounts if you believe the generic composite does not align with the mandate that NYSIF has described. If you choose to submit additional data, please provide some details in the space below.]  |
| **Performance Attribution**  | [Please provide detailed attribution reports for the one-year (calendar 2024) and 5-year periods (2019-2023).] [Please be sure to include detailed attribution tables that demonstrate the contribution to absolute and relative performance by rating, duration buckets and sectors. Each table should show the performance attributable to asset allocation vs. security selection.][Also include a summary of absolute performance broken down by coupon return vs. principal return for 2024 and the 5-year period (2019 – 2023).][The 5-year reports noted above should have cumulative or annualized figures instead of separate annual reports (even if only estimated combined data is available). An average of the five years would also be accepted. Please note the basis for which you are providing the data (cumulative, geometric average, arithmetic average). Excel is highly preferred for this data.][At a minimum, please include the data for the same track record you submitted via eVestment. You may also submit (in addition) separate performance history that is a collection of one or more illustrative accounts if you believe the generic composite does not align with the mandate that NYSIF has described. If you choose to submit additional data, please provide some details in the space below.] |
| **Detailed Biographies** | [Please provide a Word document with the detailed biographies of the key professionals listed above in the section: Detailed Summary of Key Professionals and their roles and how they interact with the team in the investment process.] |
| **Credit Write-Up** | [Please provide two sample recent write-ups of a high conviction idea. The idea does not have to be in the portfolio today. If necessary, the write-up may have segments black-lined for Firm compliance reasons.] |