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2/18/21

The following Q&A and revised Appendix V will serve as Amendment #2 to NYSIF's procurement for a Private Placement Asset Manager Search, bid number 2021-02-INV. Material in this Amendment supersedes any contradictory material in the procurement.

Please note that the due date for the submission of bids **remains the same.**

All bids are due 3/1/21, by 2:00 p.m.(eastern).

Sincerely,

A handwritten signature in black ink that reads "Alexandria Romano".

Alexandria Romano
Contract Management Specialist 2

**Private Placement Asset Manager Search
2021-02-INV
Amendment 2**

Question #	RFP Page #	RFP Section and Sub-Section Reference #/Heading	Question	NYSIF Response
1	1	Attachment 1 – MANDATORY REQUIREMENTS AFFIRMATION	Would NYSIF consider an investment manager that meets all AUM, tenure, and reporting requirements, but that does not claim GIPS compliance, as of 12/31/20? The investment manager is in the process of becoming eligible to claim GIPS compliance. Currently, while performance is calculated on a total return basis consistent with GIPS methodology, cash is not included in the calculation of the performance composite and for this reason performance does not fully meet GIPS calculation requirements at this time.	Not at this time.
2			Are composites with largely similar objectives/constraints (but not exactly fitting the description) considered eligible? For example, can we submit a “best fit” composite for track record?	Yes
3			If we have a GIPS compliant benchmark that is roughly 80% US issuers, but all reported in USD, are we able to submit that?	Yes
4			If a GIPS composite is not available for the same or similar strategy, would a carve out of relevant securities from broader portfolio be eligible for consideration?	At this time, the mandatory requirements call for that a GIPS compliant composite.
5			Are you open to including other private debt, including REITS, stadiums, CTLs, or aviation deals?	This should not be a focus of the strategy, but can be explored as a value added segment of the offering.
6		Attachment C	Should the NDA (Attachment C) be submitted by 2PM on March 1 or upon engagement?	Upon engagement.

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7		Attachment 1	Regarding Qualification 4 in Attachment 1, our firm has a 5 year + GIPS compliant credit insurance composite and the Private Placements portfolio is a component of this composite. Is this acceptable to satisfy the requirement?	Per qualification #6d the composite must be at least 90% invested in private placement debt. You may consider submitting a carve-out as long as it meets all of the mandatory qualifications.
8		Attachment 1	Regarding Qualification 6 in Attachment 1, the composite we are presenting to satisfy qualification 4 does not have performance/characteristics that are directly reflective of our Private Placements product because the Private Placements portfolio is just one component of the composite. Is it acceptable to provide returns of the Private Placements carve out of this composite in evestment?	A carve-out is acceptable as long as it meets all other requirements.
9		Attachment 1	If quarterly characteristics in evestment are not provided back to inception of the strategy, is this disqualifying?	Not at this time.
10		Attachment 1	Do only the characteristics and performance sections of evestment need to be uploaded as stated in Qualification 6 or does the whole evestment profile need to be provided for the product including sections such as Narratives, Holdings, Personnel Info, etc...?	Performance sections are required.
11			Will NYSIF be willing to enter into a power of attorney to permit the selected investment manager to execute private placement documentation on its behalf? If so, will NYSIF provide a form of that document for review prior to the RFP due date? If not, how does NYSIF plan to execute the deal documentation?	Upon award this can be discussed during contract negotiations with the firm.

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12		Attachment 1	What is the definition of a "legal joint venture partner" as used in the Minimum Requirements?	Any closely related subsidiary or other related firm would likely qualify.
13		Procurement PDF	The RFP references that all managers will be required to enter into NYSIF's standard External Asset Manager Service Contract. Are you able to provide this document to be reviewed?	This will be provided upon award.
14			If a firm has an employee diversity data sharing policy where information cannot be shared for investment teams of less than 10 individuals and is unable to complete Form 101 due to this policy, will that firm be excluded from this search? Is Form 101 a mandatory requirement or can this form be waived?	This form will be required prior to contract execution. Further discussion can be had during contract negotiations with awarded firm(s).
15			Will you consider a proposal for a private placements strategy with only a two and a half year track record if the firm/team has another track record with 20+ year history in the private placement space? Without going into too much detail, we would like to submit a strategy that we feel is more representative of client demand but with a shorter track record, rather than a strategy that we have that has a longer track record but also constraints (shorter average duration) that make it not as representative of our private placement management capacity.	If the team has a compliant track record this should be submitted. A second track record can be submitted for indicative review, but will not be compared vs. other competitors in any quantitative analysis.

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16		Attachment #1, Mandatory Requirements, Qualification #4	Will you consider a performance track record that is not considered a "verifiable GIPS-compliant performance history?" We have a lengthy performance track record for our strategy (which is shown in eVestment) that far exceeds the five year requirement. However, our client base, which predominantly consists of insurance investors, has not desired/required some of the elements of GIPS, such as daily pricing and trade date accounting vs settle date accounting (good reasons for this and we would be happy to explain further). We believe we can accommodate these elements for a new client if necessary, but we cannot show a verifiable GIPS compliant performance history.	A GIPS compliant performance history is required at the time of the bid.
17			Will a new manager be asked to manage any existing private placement holdings?	No
18			Can you clarify what is deemed by "data" in the NDA? Is data defined as only the files the state provides to the manager or is it portfolio records that the manager would keep regarding portfolio activity?	Data activity requirements, retention and confidentiality will be discussed during contract negotiations with the awarded firm(s).
19			Per the NDA and termination of manager's services, will the manager be able to keep the data required for their GIPS composite in which the NYSIF account belongs?	Yes, subject to further discussion if a contract is awarded.

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20			Will the mandate allow for allocations to infrastructure private placements in addition to corporate private placements?	This should not be a focus of the strategy, but can be explored as a value added segment of the offering.
21			Will the mandate guidelines allow for use of derivatives?	No



APPENDIX V

Vendor Assurance of No Conflict of Interest or Detrimental Effect

The Firm offering to provide services pursuant to this Private Placements Asset Manager Search (2021-02-INV), as a contractor, joint venture contractor, subcontractor, or consultant, attests that its performance of the services outlined in this Contract does not and will not create a conflict of interest with nor position the Firm to breach any other contract currently in force with the State of New York.

Furthermore, the Firm attests that it will not act in any manner that is detrimental to any State project on which the Firm is rendering services. Specifically, the Firm attests that:

1. The fulfillment of obligations by the Firm, as proposed in the response, does not violate any existing contracts or agreements between the Firm and the State;
2. The fulfillment of obligations by the Firm, as proposed in the response, does not and will not create any conflict of interest, or perception thereof, with any current role or responsibility that the Firm has with regard to any existing contracts or agreements between the Firm and the State;
3. The fulfillment of obligations by the Firm, as proposed in the response, does not and will not compromise the Firm's ability to carry out its obligations under any existing contracts between the Firm and the State;
4. The fulfillment of any other contractual obligations that the Firm has with the State will not affect or influence its ability to perform under any contract with the State resulting from this Contract;
5. During the negotiation this Contract, the Firm will not knowingly take any action or make any decision which creates a potential for conflict of interest or might cause a detrimental impact to the State as a whole including, but not limited to, any action or decision to divert resources from one State project to another;
6. In fulfilling obligations under each of its State contracts, including any contract which results from this Contract, the Firm will act in accordance with the terms of each of its State contracts and will not knowingly take any action or make any decision which might cause a detrimental impact to the State as a whole including, but not limited to, any action or decision to divert resources from one State project to another;
7. No former officer or employee of the State who is now employed by the Firm, nor any former officer or employee of the Firm who is now employed by the State, has played a role with regard to the administration of this contract procurement in a manner that may violate section 73(8)(a) of the State Ethics Law; and
8. The Firm has not and shall not offer to any employee, member or director of the State any gift, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or

promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence said employee, member or director, or could reasonably be expected to influence said employee, member or director, in the performance of the official duty of said employee, member or director or was intended as a reward for any official action on the part of said employee, member or director.

Firms engaged under this solicitation should note that the State recognizes that conflicts may occur in the future because a Firm may have existing or new relationships. The State will review the nature of any such new relationship and reserves the right to terminate the contract for cause if, in its judgment, a real or potential conflict of interest cannot be cured.

Name: _____

Title: _____

Signature: _____

Date: _____

This form must be signed by an authorized executive or legal representative.