

Cook County Pension Fund –International Small Cap Equity Search – Q&A Document

1. Is the Cook County Pension Fund flexible on the minimum AUM for the International Small Cap strategy?

We are willing to be flexible with the minimum AUM requirements as outlined in the RFP document. However, it should be noted that the Fund is not interested in being a large percentage of either the proposed strategy or the firm assets. Also, please be aware that this mandate may be split between multiple managers.

2. Will the fund consider manager of managers strategies for this mandate?

The Fund will consider such strategies; however, this is not the primary focus of this search.

3. Would the Fund consider a SMID strategy instead?

The Fund is open to similar strategies, however small cap is the focus of this search.

4. First, we wish to clarify the following statement in the “Specifications for the Assignment” as it pertains to proposed revisions: A copy of the proposed side letter agreement with the Fund is attached hereto as Attachment D. Please confirm willingness to execute that agreement or propose revisions. Please clarify if The Retirement Board seeks revisions as part of the proposal (due October 2), or if this would ensue if chosen as a successful firm.

The respondent does not need to provide revisions to the sample investment management agreement at this time. However, if there are any concerns that would stop your firm from being able to contract with the Fund, please outline that in the document or one of your responses.

5. Please clarify if Attachment C (Illinois Pension Code Disclosure Requirements) is due with the proposal, or only if chosen as a successful firm.

This disclosure form (Attachment C) is due at the time of submission. Please note that when responding to sections 2 & 3 of the disclosure document, we cannot accept “N/A” or “Do Not Track”. If you do not have the data, please put a zero for each sub-category instead.

- 6. Your IPS details “at least five percent of total commission dollars on an annual basis” to MWDBE enterprises for International Small Cap mandates. The majority of ISC trading takes place out the US so how do you view diverse owned cohort outside the US?**

Unfortunately, trading with foreign brokers does not count towards the 5% goal. The Fund seeks 5% of brokerage commissions to be placed with U.S. based MWDBE Brokerage firms. Please see the IPS for more details on Brokerage goals.

- 7. In the RFP Document, Attachment D is defined as a Sample Side Letter Agreement. However, on the Cook County website, Attachment D is clearly labeled (and provided) as IMA Template.**

Correct, there is only an Investment Management Agreement (IMA) with for this RFP.

- 8. Would the Fund be willing to consider an investment in two commingled vehicles – a World ex US Small Cap Equity strategy and an Emerging Markets Small Cap Equity strategy?**

The Fund would prefer the simplest structure that gains exposure to the ACWI ex US Small Cap Index.

- 9. Would you be willing to accept a small cap strategy that is value-oriented and managed against the MSCI World ex USA Small Cap Index? This strategy focuses exclusively on developed markets and does not include emerging markets exposure.**

The Fund will consider value or growth-oriented strategies and expects to have exposure to emerging markets in the mandate.

- 10. Would you consider live track records for both Developed Markets ex-US Small Cap and Emerging Markets Small Cap as proxies for ACWI ex US Small Cap to meet the minimum requirements for submission, including strategy AUM?**

Yes. However, the Fund would prefer the simplest structure that gains exposure to the ACWI ex US Small Cap Index.

- 11. What type of fee structure would you consider for this search? Would you be interested in exploring a blended approach that combines both a management fee and performance fee?**

The Fund would consider a blended fee structure, if proposed.

12. Do you have any tracking error or excess return targets for this mandate?

The Fund does not have tracking error or excess return targets for this mandate.

13. Could you confirm your preferred investment vehicle for this mandate?

The Fund will consider both separate accounts and commingled funds for this mandate.

14. If the existing realized track record utilizes a benchmark that differs slightly from your preferred benchmark, would there be any concerns with evaluating our strategy? While we have an existing track record for MSCI EAFE Small Cap as well as ACWI ex-US Total Market, we have the capabilities to run an ACWI ex-US Small Cap strategy and can provide back tested performance if of interest.

No, we would consider the strategy. The Fund would prefer the simplest structure that gains exposure to the ACWI ex US Small Cap Index.