

**REQUEST FOR PROPOSAL**

**Execution Management System**

Issued: Wednesday, August 14th, 2019

**Responses Due: TBD – this will be updated when more information is available**

# http://swibnet/sites/BU/Comm/SWIB%20Logos/SWIB_logo_Horizontal.jpg

 **REQUEST FOR PROPOSAL**

 **Execution Management System**

Overview

The purpose of this Request for Proposal (“RFP”) is to select a vendor with the expertise, proven track record, and resources to provide a hosted Execution Management System (EMS). SWIB’s goal is to use an EMS to manage and execute trades in various asset classes.

About SWIB

SWIB manages investments for the Wisconsin Retirement System (“WRS”), which is the eighth largest public pension plan in the United States and 25th largest public/private pension fund in the world. More than $110 billion in total assets are under management with more than 57 percent managed internally. The plan provides retirement and related benefits for more than 632,000 current and former public employees. The plan is fully funded by a combination of contributions from members, state and local governments, and investment returns. Although member and employer contributions are substantial, investment returns account for the majority of the plan’s growth.

SWIB is charged with the responsibility of investing the assets of the WRS as well as several additional government-related trusts. The asset allocation of the WRS is established by SWIB’s Board of Trustees.

SWIB was created under Chapter 15 of the Wisconsin Statutes, and vested with authority to manage trust fund assets under Chapter 25 of the Wisconsin State Statutes. SWIB is governed by the prudent expert standard of fiduciary responsibility specified in Section 25.15(2) of the Wisconsin Statutes.

All SWIB employees work in SWIB’s offices in Madison, Wisconsin. SWIB is an Equal Opportunity Employer.

SWIB Mission and Vision

**Mission**

*To be a trusted and skilled global investment organization contributing to strong financial futures for the beneficiaries of the funds entrusted to us.*

**Vision**

*SWIB will be an innovative, agile, integrated organization that optimizes investment returns while managing risk and cost over the long term.*

The cornerstone in defining SWIB is based on its core values: Integrity, Commitment, Respect, Accountability, Prudence, People, Innovation and Collaboration.

Questions Regarding this RFP

Should you need clarification regarding this document, the SWIB contact listed below will accept questions via e-mail until **Wednesday October 16th, 2019**. Each vendor will be allowed to submit up to **five** questions, limited to 50 words per question. Those questions received by the question deadline will be answered and circulated via e-mail to all vendors who have posed a question or who request, in writing, a copy of the questions and the responses.

Instructions for Submitting a Proposal

**Proposal Deadline**

Completed proposals, including all attachments, must be delivered to the SWIB contact listed below no later than **TBD – this will be updated when more information is available** as follows: an **electronic file** via email and 5 **physical copies** **(one master copy must be unbound and ready to photocopy)**. Time is of the essence. Any proposal not meeting this deadline may not be accepted or considered.

**SWIB contact:**

Ms. Rhiannon Friedel
Procurement Specialist
State of Wisconsin Investment Board
121 East Wilson Street
Madison, WI 53703
rhiannon.friedel@swib.state.wi.us

**Proposals should be compiled in the following order:**

# Cover Letter

# The proposal response package must include a cover letter which will be considered an integral part of the response and which shall be signed by at least one individual who is authorized to contractually bind the vendor. This cover letter must include: (a) the vendor name, address and telephone/fax numbers; (b) the title or position that the signer of the cover letter holds in the company; and (c) a statement to the effect that the proposal is a firm and irrevocable offer.

# Responses to the Questionnaire

The Questionnaire begins on page 5. SWIB reserves the right to request additional information.

# Public Records Acknowledgement Form

Under Wisconsin’s public records law (Wis. Stat. §§ 19.31-19.39, the “Public Records Law”), all responses shall be deemed public records and shall be subject to requests for public disclosure. The vendor should assume that materials included in its response, and any resulting contract and/or services, constitute and are presumed to be public records and, as such, may be subject to disclosure under the Public Records Law unless an exception is applicable. The “Public Records Acknowledgement” (**Attachment A**) contains additional information about the Public Records Law and the steps necessary for the vendor to claim that materials included in a response are exempt from disclosure. The Public Records Acknowledgement must be completed (**with a designation made to Section (iii) of Attachment A)**, signed by an authorized officer of the company, and submitted with the response.

# Representations and Warranties

The Representations and Warranties document (**Attachment B**) must be signed by an authorized officer of the company and submitted with the response.

1. **Fee Proposal**

The fee proposal must include all costs associated with the proposed system/services covered by the response. See page 9 for specifications on how to submit the fee proposal. In addition to providing an electronic fee proposal, which must be a separate attachment, hard copies of the fee proposal must be placed in a separate, sealed envelope that is clearly identified on the outside as “**Fee Proposal for Execution Management System RFP, submitted by [COMPANY NAME]**”.

1. **Comments to Key Contract Provisions**

The successful respondent will be required to negotiate a contract with SWIB (the “Contract”) that incorporates by reference the respondent’s response to this RFP. SWIB has included key provisions expected to be included in any contract with a successful respondent in **Attachment C**. Any proposed revisions to Attachment C must be included in the response in order to be considered during contract negotiations with the successful respondent. Proposed revisions should be presented as a redline document that includes commentary explaining respondent’s reasoning for requesting the change. Revisions will be taken into consideration in the evaluation process of the proposal, and excessive and unreasonable changes may result in rejection of a respondent’s submission. If Attachment C as written is acceptable to respondent, it should so indicate in its response.

Selection Process

The selection process under this RFP will be as follows:

**Non-Qualifying Proposals**

SWIB will evaluate each response to determine if it was submitted in accordance with the requirements set forth in this RFP, including whether the proposing vendor meets the minimum criteria described in “Minimum Criteria, Questionnaire, and Fee Proposal” below (the “Minimum Criteria”). All non-qualifying proposals not subject to the waiver/cure of minor information will be rejected at this time and the proposing vendor so notified.

**Selection of Finalists**

The proposals will be evaluated by SWIB. Using the selection criteria described below, SWIB will select finalists for further consideration. Each selected vendor may be invited to an on-site interview to demonstrate systems and present additional information.

**Vendor Selection**

SWIB will rank the finalists and make its selection for one or more vendors and will complete negotiations of the Contract with each selected vendor.

**Tentative Schedule of Events**

The following is the tentative schedule for SWIB’s search. All dates are subject to modification by SWIB.

|  |  |
| --- | --- |
| Issuance of RFP: | August 14th, 2019 |
| Question Deadline (Firm): | October 16th, 2019 |
| Q&A Document returned by SWIB: | Week of October 21st, 2019 |
| **Response Deadline (Firm):** | **TBD – will be updated**  |
| Demo/Finalist Interviews: | TBD |
| Projected Commencement Date of Contract: | TBD upon notification of selection |

Additional Items

# Withdrawal/Irrevocability of Responses

A vendor may withdraw and resubmit a response prior to the response deadline. No re-submissions will be allowed after the response deadline.

# Waiver, Cure of Minor Informalities, Errors and Omissions

SWIB reserves the right to waive any Minimum Criteria or permit cure of minor informalities, errors or omissions prior to the selection of finalists, and to conduct discussions with any qualified vendors and to take any other measures with respect to this RFP in any manner necessary to serve the best interests of SWIB and its beneficiaries. Any waiver or opportunity to cure may be made to one or more vendors in SWIB’s sole discretion, and SWIB has no obligation to offer the same or similar waiver or opportunity cure to any other vendor.

# Communications with SWIB

SWIB’s contact for this RFP is listed on page 2. In order to ensure the integrity of the RFP process, during the selection process, **the** **vendor may not initiate communications with any other SWIB representative regarding this RFP** (for clarity, this does not prohibit communications in connection with an existing contractual relationship between SWIB and the vendor that are unrelated to this RFP). **Failure to observe this rule may be grounds for disqualification**.

**Incurring Costs**

All costs of preparation and presentation associated with responses to this RFP are the responsibility of the vendor. Each vendor may be asked to make a presentation if selected as a finalist. None of the costs associated with this presentation (including travel) will be reimbursed by SWIB.

# Rejection of Proposals

SWIB reserves the right to request additional information from any vendor and reserves the right to reject any proposal without specifying the reason for its actions.

**Award**

SWIB reserves the right to refrain from awarding all or any part of the engagement contemplated by this RFP and reserves the right to award a Contract to multiple vendors.

# Information and Representations

Each vendor shall be bound by the information and representations contained in any proposal submitted. The proposal is deemed to be a binding offer on the part of the vendor and will be incorporated by reference in any resulting Contract.

## Selection Criteria

SWIB will assign a rating to all qualifying proposals in each of the categories set forth in the Minimum Criteria; Questionnaire; and Fee Proposal. Using these ratings as a guide, SWIB will select finalists to receive further consideration.

## Minimum Criteria, Questionnaire, and Fee Proposal

Please fill in the following contact information:

|  |  |
| --- | --- |
| **COMPANY NAME:** |  |
| **ADDRESS:** |  |
| **TELEPHONE #:** |  |
| **FASCIMILE #:** |  |
| **E-MAIL ADDRESS:** |  |
| **CONTACT PERSON:** |  |
| **SIGNED:** |  |
| **NAME (print):** |  |
| **TITLE:** |  |
| **DATE:** |  |

**Minimum Criteria**

**Describe how your given platform will meet the following:**

1. The platform must have the ability to execute trades in equities, fx, options and futures – please describe.
2. The platform must have the ability to provide pre-trade analysis – please describe.
3. The platform must have the ability to trade programs and pairs – please describe.
4. The platform must have the ability to integrate third-party blotter scraping – please describe.
5. The platform must have the ability to integrate with CRD – please confirm.
6. The platform must have the ability to trade ratio cash neutral pairs across different asset classes - equity index futures and equities - please describe.
7. The platform must have the ability to create custom blotters with custom and calculated columns – please describe.
8. The platform must have the ability to operate on a SWIB-sponsored payment model vs. a broker-sponsored model – please describe.

**Questionnaire**

**A. General Company Information**

1. What is your firm's legal name?
2. How many years has your firm been in operation?
3. What is the location of the headquarters and branch offices of the division/entity that will be providing services to SWIB?
4. Do you have a parent company?
5. Describe the company’s ownership structure.
6. Provide details on your legal structure including subsidiaries, branches, affiliations and other partnerships and alliances.
7. What is your platform's / product's official name?
8. How many years have you been providing the proposed product?
9. How many staff do you have in total?
10. Describe your company's procedures to protect, retain and destroy non-public company specific and personal information.
11. Describe any litigation, legal proceedings, or governmental investigation related to any of the services proposed as part of this RFP over the past 5 years. Provide an explanation and indicate the current status or outcome of each.
12. Does your company have any pending acquisitions? If so, how will this change your business model?

**B. Functional Capabilities**

1. Describe the system’s integration with Excel and Bloomberg.
2. Does the system have the ability to display a price chart and other graphical representations? What type of graphical representations?
3. Describe the system’s ability to ease in the customization of “views”.
4. How many FIX connections can we have. What is the schedule of costs.
5. Describe the system’s ability to implement algo wheels.
6. Describe the system’s ability to implement real-time algo switching.
7. Describe the system’s ability to auto-route on a customized basis.
8. Describe the system’s ability to cancel trades to and from CRD through FIX.
9. Describe the system’s preferred method of security identifiers, i.e. symbology for equites, FX, options, and futures.
10. Describe your platform’s ability to provide intra-trade analysis and visualization.
11. How does your platform handle merging buy-long/buy-to-cover and sell-long/sell-short.

**C. Implementation**

1. Please provide an example of a detailed implementation plan, including a timeline, for the startup and transition process.
2. Please provide a detailed description of your software development methodology.
3. Provide a description of the roles that will work with SWIB and the credentials for each key person who will be regularly rendering services to the agency both pre and post implementation.
4. What is your policy on incorporating client specific enhancements to the core product?
5. Will your company provide a dedicated customer service team to handle SWIB's inquiries and complaints during and post implementation?
6. How many clients do you have scheduled for implementation for the remainder of 2019 and 2020?
7. Based on your implementation schedule and resource capability, what would be a realistic timeline for a SWIB implementation?
8. What is the average length of an implementation?
9. Provide a description of the historical data load process that is used to initially populate the system with data.

**D. Ease of Development**

1. What technologies are used to build custom reports? Please list if more than one.
2. Are you willing to provide a demo or starter environment before a contract is signed?

 **E. Platform Flexibility**

1. What programming language does the platform run on? Please list all those utilized.
2. Does the platform require historical conversion of legacy data?
3. Does the platform integrate with multiple data formats (CSV, XML, etc.) in an automated fashion?
4. Does the platform integrate with third party reporting software such as Tableau or Power BI?
5. Is it an open platform? Does the client have ability to customize and/or configure functions within the platform without vendor support/approval?
6. Does the platform allow for direct querying of the data stored within it through SQL or APIs?

**F. Technology Platform Overview**

1. What are the technical requirements (including operating system, connectivity, security, data storage and components) for SWIB’s operating environment that would be necessary to support the applications used to provide the proposed system or services? Include whether any systems would need to be hosted by SWIB or if they are all provided through the cloud.
2. Provide a diagram of your overall technology architecture and systems. This should include all applications, databases, messaging tools, reporting tools, and interfaces (including APIs) that would be used to support the proposed services. Attach the diagram as Exhibit A.
3. Is the system leveraging any third-party components as part of the architecture? Please provide the name of component, functionality provided, name of vendor, and if the component is open-source or requires a license agreement. For any open-source software used, do you have indemnification agreements in place protecting the customer from any intellectual property lawsuits?
4. Please describe your ongoing service and/or software upgrade, improvement and development programs.
5. How do you handle change requests from clients (e.g., add/modify reports, enhance functionality)?
6. Does the system provide configurable business workflows?
7. Describe the ability to customize the core system, i.e. modify screens and processes, add new screens, fields and processes. Can the customization be done through configuration without changing code? Please describe.
8. Describe the ability to add additional user defined fields (UDFs). Describe the limitations, if any, on user defined fields.
9. Describe the skills needed for SWIB's IT team to customize/configure the system - potentially for each architecture layer.
10. Describe your approach to handling performance & scalability as data volume grows. Describe your SLAs/expectations around query performance times.

**G. Business Continuity, Disaster Recovery, and Accreditations**

1. Do you have business continuity and disaster recovery plans that are certified by external auditors? If yes, please describe the components of the plan such as contingency plans, multi-site strategy, capabilities, etc.
2. Please provide the frequency of testing and dates in which plans were last tested, and the outcomes of those tests.
3. What (if any) vendor quality accreditations have you obtained (including SSAE 18, SOC audits)?
4. May SWIB participate in the testing of your Business Continuity plan (BCP) at no cost?
5. Do key recovery personnel have access to the BCPs and are they trained on the BCP requirements?
6. Do you have insurance coverage for business interruption, disaster recovery, revenue continuation, or general services interruption regardless of the reason? If yes, is there coverage specifically for significant outages?

 **H. Infrastructure Security Management and Information Security**

1. Describe the controls in place in your company for physically securing assets (e.g., servers, network devices, desktops).
2. Describe your provisions for protecting client confidential data from unauthorized access (including protection of data interfacing to/from clients and password/login credentials).
3. Does the application support role-based security? Does application allow for roles and permissions to be managed externally? Is application integrated with single-sign-on? What are the reporting capabilities on user roles and permissions?
4. Is a full audit trail of transactions and details entered into the system for each user?
5. Describe your information security program (both internally and with the vendors that you engage).
6. What security features are in place to detect attempts at and prevent unauthorized access to your systems and to your client’s information? Please describe any incidents within the last 5 years which involved known unauthorized access to client data.
7. Describe your incident response and handling procedures around security breaches.
8. Do you use ethical hacking or similar independent verification of your data center, systems, applications, and information security protocols? If so, please provide reports for the last 3 tests and attach as Exhibit B.
9. What provisions are in place for segregating SWIB data from that of other clients and prevention of inadvertent transmission of SWIB data to unintended recipients?
10. Please provide a copy of your information security policy with your response. Attach as Exhibit C.
11. Provide details of your access administration policies and procedures, including:
12. Policies for approving access.
13. Processes for periodically reviewing access:
14. Processes to revoke access upon employment transfer or termination
15. Do you have insurance coverage for cyber security events or other incidents covered by this Section? If yes, please provide an overview of that coverage.
16. Have you ever suffered an information security incident that has resulted in you being required to provide notification to your customers, individuals, law enforcement authorities, or governmental entities?

 **I. Data Management and Accessibility**

SWIB requires that the selected provider work seamlessly with all necessary parties and other systems that are required to make this service function correctly for SWIB.

1. Will you be able to provide data (via interfaces, extracts, etc.) to SWIB and all of SWIB’s interested parties based on SWIB’s requirements which could include a full data extract if we would switch systems in the future?
2. Describe your process for integrating your systems and/or data with SWIB’s systems, including APIs, data extract tools, etc. Please also include any batch job scheduling interfaces you provide.
3. Describe the connectivity you offer to your applications and services (e.g., whether your systems are accessible via a VPN, terminal server, Citrix, or some other type of connection).
4. Do you offer mobile capabilities to allow access to your systems via tablets, mobile devices, etc.? If so, please describe such capabilities.
5. Describe any limitations on client use of data, i.e. are there any restrictions on other locations and/or systems in which a customer may use the data?
6. Describe your company’s system/data backup and records retention policies.

**J. Application Support Services**

1. From which (geographic) locations do you provide services and applications? If applicable, please describe which services and applications are provided by a specific location.
2. Describe your degree of coverage (e.g., 24/7) for applications that SWIB may be accessing (or data interfaces to SWIB interested parties/SWIB systems).
3. Describe your Release Management and Upgrade processes, including how new version releases are distributed, how SWIB would be informed of an upcoming release, and whether new versions are pushed out automatically or via a coordinated upgrade project.
4. Provide an overview of your incident management support model, including how issues are reported, how users are notified of issues, and how issue status and resolution are communicated.
5. Provide an overview of your training approach (including user guides, manuals, courses, online help, etc.).
6. Please describe your test environment and/or testing strategy for both customizations and upgrades.

**FEE PROPOSAL**

The responses in the Questionnaire should form the basis for the proposed fees.

The method of payment will be set forth in the Contract. Once the vendor is selected, the fee may be negotiated further depending on the variance from the other Proposals. In no case will the negotiated fee be higher than the fee contained in the Proposal. All fees shall include all expenses of the proposing vendor during the term of the Contract.

**Please indicate costs below for each item that is applicable to your billing structure:**

|  |  |
| --- | --- |
| Implementation fee (all inclusive): | $ |
| Fee for 3 user licenses (if applicable): | $ |
| Per user fee FIX lines (if applicable): | $ |
| Per share rate (if applicable): | $ |
| Other fees - including if there is a separate fee charged by CRD for any connection to your system (if applicable): | $ |
| Enterprise license (if applicable) | $ |

**FEE PROPOSALS MUST BE SUBMITTED IN A SEPARATE, SEALED ENVELOPE AS DESCRIBED IN *INSTRUCTIONS FOR SUBMITTING A RESPONSE TO THIS RFP* ABOVE.**

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# ATTACHMENTS

**Attachment A** – PUBLIC RECORDS ACKNOWLEDGEMENT

**Attachment B** – REPRESENTATIONS AND WARRANTIES

**Attachment C** – KEY CONTRACT PROVISIONS

***ATTACHMENT A***

***public records acknowleDgement***

The undersigned hereby represents, acknowledges, and agrees as follows:

1. SWIB is a public agency subject to Wisconsin’s public record law (Wis. Stat. §§ 19.31-19.39, the “Public Records Law”), which provides generally that all records relating to a public agency’s business are open to public inspection and copying unless exempted under the Public Records Law.
2. Materials we submit to SWIB in connection with this packet are open to public inspection under the Public Records Law unless such materials fall within an exemption under the Public Records Law.
3. **ATTENTION: VENDOR MUST INDICATE CHOICE IN THIS PARAGRAPH.** Our submission packet ***INCLUDES / DOES NOT INCLUDE*** (**CIRCLE ONE**) materials that we believe are exempt from disclosure under the Public Records Law. If neither option is circled, SWIB will assume the submission does not include materials vendor believes are exempt from disclosure under the Public Records Law.
4. To the extent our submission packet includes materials that we believe are exempt from disclosure under the Public Records Law, we understand that we must: (1) circle “INCLUDES” in Section (iii), above; (2) provide a letter identifying the materials that we believe are exempt from disclosure and explaining the basis for exemption; and (3) submit, in addition to the regular version of our submission packet, one copy of a redacted version that excludes the potentially exempt materials.
5. Regardless of whether the vendor circles “INCLUDES” above, SWIB will presume that any materials that are not identified and redacted pursuant to paragraph (iv), above, are open to public inspection, and we waive any right to subsequently claim exemption from disclosure for any such materials.
6. If we make an unreasonable claim for exemption under the Public Records Law, such claim may reduce the score for our proposal.
7. SWIB at all times retains the right to make the final determination regarding what, if any, portion of a submission is subject to disclosure under the Public Records Law. We understand that SWIB may make disclosures under the Public Records Law and that SWIB may disclose our redacted information that SWIB determines is subject to disclosure under the Public Records Law, in each case without notice to us. We also understand that SWIB’s disclosures under the Public Records Law could include communications and other materials prepared by SWIB regarding our submission and SWIB’s evaluation of the vendor.
8. For the avoidance of doubt, SWIB will treat the terms of any agreement entered into as a result of the submission packet (including any Contract) as open to public inspection under the Public Records Law.

[Signature page follows]

A*CKNOWLEDGED AND AGREED*

**By signing below, the undersigned acknowledges and agrees that (a) he/she has read and understands this Public Records Acknowledgement, (b) he/she understands that SWIB may disclose the entire submission packet under the Public Records Law if the undersigned has not satisfied the requirements of items (iv) and (v) above. This Public Records Acknowledgement may not be modified, and any changes shall be of no force and effect unless agreed to by SWIB in writing prior to the undersigned’s submission of materials.**

Date:

Company Name:

Signature:

Printed Name and Title:

***ATTACHMENT B***

***REPRESENTATIONS AND WARRANTIES***

All vendors submitting a proposal are required to submit an executed, unmodified copy of this exhibit as an attachment to the cover letter as described in the RFP:

1. By signing below, the undersigned (“Proposer”) agrees to any terms, conditions, and obligations set forth in this packet.
2. Proposer warrants that all the information it provides in the response to this RFP is true and correct and does not omit any material facts or information that is responsive.
3. Proposer warrants that it has completed, obtained, and performed all filings, registrations, approvals, authorizations, consents or examinations required by a government or governmental authority for the services to be provided to SWIB.
4. Proposer warrants that it will not delegate any fiduciary responsibilities assumed under the Contract.
5. Proposer represents and warrants that it has disclosed in writing to SWIB any significant personal or business relationships of the Proposer or its key personnel or any other circumstances that could conflict with proposer’s duty to provide unbiased advice and services to Client. If applicable, proposer represents and warrants that it will not be prohibited from receiving compensation from SWIB under Rule 206(4)-5 promulgated under the Investor Advisors Act of 1940.
6. Proposer warrants that it meets all of the Minimum Criteria.

These Representations and Warranties may not be modified, and any changes shall be of no force and effect unless agreed to by SWIB in writing prior to Proposer’s submission of materials.

Company Name Date

Signature Title

### Submission Packet Response. All responses and information that Company provided to SWIB in Company’s [date] response to SWIB’s Request for Proposal (the “Submission Packet”) are true and correct and do not omit any material facts or information. Company shall promptly notify SWIB in the event any of the responses or information becomes untrue or incorrect during the term of this Agreement. The inaccuracy of any information provided by Company (including any omission of a material fact necessary in order to make the information provided, taken as a whole, not misleading) will constitute a breach of this representation and a material breach of this Agreement.

## Indemnification by Company. Company shall indemnify, defend and hold harmless each of SWIB, and its members, trustees, directors, officers, agents and employees, from and against all losses, costs, liabilities, damages or deficiencies, including interest, penalties and attorneys’ fees and disbursements, arising from, based on or resulting from a breach of any representation, warranty, covenant or agreement of Company contained in this Agreement, including, without limitation, violation of the standard of care set herein, and Disabling Conduct (as defined below) in connection with the performance by Company or any of its affiliates, or any of their respective shareholders, partners, members, managers, directors, officers, employees or agents of any of the Company’s obligations under this Agreement, except to the extent that such loss, cost, liability, damage or deficiency results from a breach of a representation, warranty, covenant or agreement of SWIB contained in this Agreement, an act or omission (other than one based upon the advice of the Company) constituting bad faith, willful misconduct, gross negligence or reckless disregard by SWIB of its obligations under this Agreement, or for any information security event or violation of the Data Protection provisions. For purposes of this Agreement, “Disabling Conduct” means any act or omission which constitutes fraud, bad faith, willful misconduct or gross negligence (construed to have the meaning as such term is given under the laws of the State of Delaware).

Data Protection. Company acknowledges that it may have access to certain of SWIB’s computer and communications systems in connection with its obligations under this Agreement. If any data is made available or accessible to Company (including employees, agents, contractors) pertaining to SWIB’s business or financial affairs, Company will not store, copy, analyze, monitor or otherwise use that data except for the purposes set forth in the Agreement or RFP for the benefit of SWIB. Company will comply fully with all applicable laws, regulations, and government orders related to personal data and data privacy with respect to any such data that Company receives or has access to under the Agreement or in connection with the performance of any services for SWIB. Company will otherwise protect data (personal, business or financial) and will not use, disclose, or transfer data outside of the United States without the express written permission of SWIB.

## Performance of Duties. Company shall devote such time, effort, skill and resources as may be necessary to carry out its obligations under this Agreement in accordance with the standards set forth in this Agreement. Company shall carry out its duties and responsibilities hereunder in accordance with, and be limited in the exercise of its rights by, the provisions of all applicable federal, state, county and city statutes, ordinances and regulations. The persons responsible for performing any Services or otherwise discharging Company’s duties and obligations under this Agreement shall be individuals experienced in the performance of the various functions contemplated by this Agreement.

## Conflicts.

## Company has disclosed, and will disclose during the term of this Agreement, in writing to SWIB any and all of its compensation arrangements and vehicles for the exchange of consideration, directly or indirectly, with fund managers, consultants, service providers, actuaries, brokers, research firms, custodians, administrators or any other providers whose services are marketed to or retained by pension funds or whose services Company is in a position to recommend or may recommend to SWIB. This includes arrangements and vehicles involving affiliates or related entities and shall explicitly cover sponsorship or production of conferences and similar events, as well as identification of the parties and amounts of consideration involved.

## Company has disclosed any and all direct or indirect political or other campaign contributions to Wisconsin state-level candidates or officials since January 1, 2009. Company has disclosed any significant personal or business relationships of the firm or its key personnel or any other circumstances that could conflict with Company’s duty to provide unbiased advice to SWIB.

## Company represents and warrants that, to the best of its knowledge, no officer or employee of SWIB has received, and covenants that no such person will personally receive, directly or indirectly, from Company, or any of its owners, shareholders, partners, members, managers, directors, officers, agents, employees, affiliates, or other persons responsible for performing any Services (each, a “Company Related Party”), or from anyone acting on Company’s behalf, anything of substantial economic value for his or her private benefit in connection with this Agreement. Company will notify SWIB in writing if, during the term of this Agreement, there are any material changes in this disclosure. Violation of this provision by Company shall entitle SWIB to terminate this Agreement and withhold any unpaid Fees.

## Nondiscrimination in Employment. In connection with the performance of its obligations under this Agreement, Company shall not discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability (as defined in Section 51.01(5), Wisconsin Statutes), sexual orientation or national origin. Company shall take affirmative action to ensure equal employment opportunities.

## Books and Records. Company shall (i) keep accurate books and records relating to its performance of the Services and the fees and expenses charged to SWIB, and (ii) permit SWIB or the State of Wisconsin Legislative Audit Bureau during the term of this Agreement and for a period of at least five (5) years thereafter to inspect Company’s books and records relating to the Services and the fees and expenses charged to SWIB. Company shall bear the costs associated with the retention of records, and the cost of duplicating and sending copies of any records requested by SWIB.

## Audit Review. SWIB shall have the absolute right to undertake a periodic audit review of Company’s work product, the fees payable hereunder, and Company’s compliance with provisions of this Agreement. Such audit review may be undertaken directly by SWIB, the State of Wisconsin Legislative Audit Bureau, or by third parties engaged by SWIB, including accountants and consultants. Company shall cooperate fully with SWIB, the Legislative Audit Bureau, or any such third party in connection with the audit review, including providing the necessary space for auditors to conduct the audit. All adjustments, payments, and reimbursements determined by SWIB or its representatives to be necessary by such audit review shall be effected promptly by the appropriate party.

## Open Records. SWIB is subject to the open records laws of the State of Wisconsin, as contained in Chapter 19, Wisconsin Statutes. At SWIB’s direction, Company shall make available for inspection and copying any designated records relating to Company’s services. Nevertheless, SWIB recognizes that Company’s records and reports may contain information that constitutes trade secrets, is proprietary or is otherwise subject to confidentiality restrictions. SWIB shall keep such information confidential and shall use its reasonable efforts to prevent any of its employees, agents or representatives from disclosing, without the prior consent of Company, any such confidential information contained in the reports or documents received from Company which is identified as confidential in writing by Company when such information is delivered to SWIB. The foregoing shall not apply to (i) any disclosure to the extent where, in the opinion of SWIB’s counsel (which may be internal legal counsel), disclosure is required by applicable law, legal process or court order; or (ii) any disclosure to SWIB’s auditors and professional advisors to the extent necessary to perform their duties, provided they are bound by or subject to confidentiality obligations to SWIB. If SWIB notifies Company that its counsel has determined public disclosure is required of information identified as confidential, Company may, at its own expense, seek a restraining order to preclude SWIB from producing such information. Nothing in this Agreement is intended to waive or override any grounds for denial of public access to records under Wisconsin’s open records laws. Company’s sole and exclusive remedy for a breach of this section shall be the right to immediately, upon written notice, terminate this Agreement.

## Legal Actions. There are no investigations, examinations or other proceedings involving Company or any of its employees commenced or, to Company’s knowledge, threatened by any regulatory agency against Company or any of its employees nor any actions, suits or proceedings commenced or, to Company’s knowledge, threatened against Company or any of its employees which, if determined adversely to Company or any of its employees, would materially affect Company’s ability to fully perform its obligations under this Agreement. Company has no knowledge of any investigation, examination or other proceeding involving any affiliate or commenced or threatened by any regulatory agency against any affiliate, or any actions, suits or proceedings commenced or threatened against any affiliate which, if determined adversely to such affiliate, would materially affect Company’s ability to fully perform its obligations under this Agreement.

## No Bad Actor. Company represents and warrants that neither Company nor any of its affiliates or partners, members, directors and officers is or has been the subject of, or a defendant in: (i) an enforcement action or prosecution (or settlement in lieu thereof) brought by a governmental authority relating to a violation of securities, tax, or criminal laws. Company covenants that it will notify SWIB within five days in the event any such action or prosecution is initiated during the term of this Agreement.