



Chicago Teachers' Pension Fund

Questions and Answers Related to the RFP for Private Credit Investment Manager Services

1. Question

- How many managers are expected to receive the mandate for \$350MM? Is there a minimum investment envisioned per manager?
- Of the \$350MM total of private credit investments, what do you expect the typical range of investment size to be per manager/fund?

Answer: The number of managers is to be determined. There is no minimum stipulated per manager. CTPF will conduct a pacing study to inform allocation decisions for the private credit portfolio.

2. Question

- Would the CTPF be open to funds that have not held a first closing and are launching in early 2024?
- The RFP does not refer to a specific timeline but does mention multiple managers. Is response to the RFP necessary to be considered for any 2025 allocations, or should firms only apply if there is an appropriate, qualified strategy that will be fundraising in 2024?
- When do you expect to actually fund initial investments in 2024/2025 so we can ensure we propose a fund that will be open in the right timeframe?
- What is the expected timeline, as applicable, for first round interviews, on-site interviews, final presentation to CTPF investment committee, and a potential allocation?

Answer: The timeline is to-be-determined. CTPF will consider funds for 2024 and 2025 allocations.

3. Question

- Can CTPF participate in first closes of first drawdown funds?
- Given the preference for evergreen vehicle, would CTPF be open to seeding a new evergreen US vehicle or would the team rather enter an existing commingled vehicle?

Answer: CTPF can participate in first closes of any fund. CTPF would consider first time funds on a selective basis.

4. Question

- Can you please describe more of the strategy you are looking for:
 - o Are you open to funds that have a mix of US and Non-US exposure?
 - o Are you open to funds that have a mix of sponsored and non-sponsored deal flow?
 - o Are you looking for senior secured first lien?

- Would you consider opportunistic credit strategies like capital solutions and special situations for this mandate?
- Will strategies that include a secondary component be considered if it is not solely a secondary strategy?

Answer: Yes

5. Question

Would the Plan consider a portion of its allocation to a Private Credit strategy primarily (95%) made up of Investment Grade Corporate Private Placements? The benchmark is the Bloomberg US Investment Grade Corporate Bond Index

Answer: No.

6. Question

- Will Europe be considered under the RFP? We are a London based manager who only invests in European private credit.
- I was hopeful to inquire on whether this is solely a U.S.-domestic mandate or if European Private-Credit exposure will be actively considered also?
- Would you consider European direct lending strategies?
- Is there a geographic preference for exposure? Would a European Direct Lending Fund be open to consideration?

Answer: Yes, CTPF will consider European strategies

7. Question

Before completing this RFP, we wanted to ask if mezzanine/junior capital funds may be considered as part of this mandate.

Answer: Yes

8. Question

- Please confirm we can submit for an evergreen opportunistic credit fund that has exposure to both traded and private credit.
- Do you want only private loans, or is a small allocation to public credit ok to allow for a quarterly liquidity feature?
- Would you have a preference for a vehicle that can offer partial quarterly liquidity, or is the preference for something longer lock with no interim quarterly liquidity?

Answer: Public/traded credit is allowable in the proposed strategy, so long as private credit is greater than 70% of the portfolio through a cycle. Please detail how the proposed strategy's portfolio limits manage the exposure between public and traded credit.

9. Question

- Is there a firm/strict requirement on the below guideline:

“The Investment Manager will provide CTPF with a private credit strategy according to the following guidelines: a. Minimum fund size: \$500 million”

If the Investment Manager has a target to manage a minimum of \$500 million in aggregate across both (1) a commingled fund and (2) Separately Managed Accounts of the same investment strategy, would that be sufficient for the guideline indicated above?

- Minimum fund size is stated as \$500mm. Would you consider a fund that is smaller in size but part of a strategy (with additional SMAs / previous fund series) that is over \$500mm?
- Under Section A – Scope of Private Credit Investment Manager Services: 1.a.: the Minimum Fund Size: \$500. Can you please clarify if the Firm needs a fund with minimum AUM of \$500 million even if the Firm is proposing a separate account. Or would strategy assets of \$500 million or higher suffice?

Answer: If \$500 million or more is managed in aggregate across a commingled fund and separately managed accounts in the same strategy, this would be sufficient to meet the guideline.

10. Question

- I see in the qualifications, that it states the fund should be at least \$500mm in AUM and wanted to know if this is strict requirement. We currently are raising our second private credit fund – the first one was ~450mm and our second has committed capital of ~310mm with line of site to 375-400mm. Would these fund sizes disqualify us for submitting?
- Please confirm we can submit for a private credit closed-end fund with fundraising goals of \$500MM even if previous vintages total LP commitments were less than \$500MM.
- Is the minimum fund size of \$500 million a hard limit or will you accept funds with current AUM of less than \$500 million?

Answer: Fund size should be \$500 million or more. Prior vintages do not count toward meeting the fund size requirement.

11. Question

- We are a diversely owned and run investment manager that launched in Nov 2020. Can the minimum fund size of \$500mm be waived for minority and female-owned firms and firms owned by persons with a disability?
- We are a diversely-owned and run credit investment manager, and a certified Minority Business Enterprise firm that launched in Nov 2020. Our firm and team meet all the Minimum Qualifications listed in the RFP. The Scope of Work section lists a minimum fund size of \$500 million; Would you waive this requirement for a diverse-owned and emerging manager that meets all other the criteria listed in the Minimum Qualifications and Scope of Work?
- Under Section III. B. Minimum Qualifications, you say that that “Minority and female-owned firms and firms owned by persons with a disability who do not meet the minimum qualifications may be considered on a case-by-case basis.” Does that also apply to Section III. A. a. Minimum fund size?

Answer: The \$500 million minimum size requirement is waived for minority-owned businesses, women-owned businesses, or businesses owned by a person with a disability, as those terms are defined in the Business Enterprise for Minorities, Women and Persons with Disabilities Act, 30 ILCS 575/2.

12. Question

Are Business Development Companies (BDCs) acceptable structures?

Answer: BDCs are acceptable structures for this search.

13. Question

- The RFP allows respondent to submit proposals for either evergreen or drawdown (ie, closed-end) structure funds. Does CTFP have a preference for either?
- For this mandate, does the CTFP have a preference between a drawdown or evergreen structure?

Answer: CTFP will consider both evergreen and drawdown funds.

14. Question

- Is the plan considering separately managed accounts for this proposal?
- Would you consider a custom vehicle, or are you only focused on commingled vehicles? Part 6 under A. Scope of Private Credit Investment Manager Services seems to indicate a custom vehicle with Bank of New York Mellon as the custodian.
- Would a Fund of One/Separately Managed Account structure be considered for this opportunity, or would strictly commingled vehicles be considered?
- Will a proposal for a multi-strategy private credit SMA be considered or shall we just submit responses for commingled funds individually?
- Is there a preference for structure (i.e. evergreen / closed end / SMA)?
- Can you please clarify if only a Fund structure will be accepted for this proposal or can a Firm propose a separate account structure instead? If a separate account structure is acceptable, within the questionnaire, there are several questions pertaining to Fund documents, would the Firm just respond with "Not applicable, the Firm is proposing a separate account structure".

Answer: CTFP will consider both commingled funds and separately managed accounts.

15. Question

- Would CTFP allow managers to submit more than one fund for the RFP? In the case of my firm, we have a closed-end structure fund coming to market as well as a perpetual fund that would be a good fit should CTFP have a preference for an evergreen structure. Please let me know if we would be limited to just one fund.
- Can we propose more than one strategy? If so, do you require completely separate RFP responses or can we describe both strategies within one response?
- If a Firm has multiple fund offerings that it believes would fulfill the needs of the Chicago Teachers Private Credit Investment Manager Search as outlined by section III of the RFP, would the CTFP be open to receiving multiple submissions from one Firm?

- For managers that would like to submit multiple strategies, how would CTPF like the RFP formatted? Would 1 combined RFP that includes separate labeled responses for each strategy be acceptable or should each strategy be submitted in separate RFPs?
- Should we only submit one strategy or is it okay to submit multiple strategies?
- If it is okay to submit multiple strategies, can we submit one consolidated document with our responses for all of the strategies we are putting forth (versus several separate submissions)?

Answer: Managers may submit multiple funds for consideration. If submitting multiple funds, CTPF requires a separate submission for each fund.

16. Question

While we understand that trigger funds are not under consideration, would you consider broader “dislocation” strategies that do not have hard triggers but do draw capital when the opportunity set is considered attractive from a risk / reward standpoint?

Answer: Yes.

17. Question

Would you consider a fund where 50% of capital will be drawn in the investment period, with an additional 50% drawn upon the meeting of one of three triggers?

Answer: This is technically a trigger fund and would not be considered.

18. Question

Your Rfp for a private credit mandate (INV FY 2024-002) was shared with us and upon review I have a couple of clarifications to see if we should be a fit for this, I wonder if you could be so kind as to let me know whether you are looking for a corporate loan fund here? I note you have listed “niche” as one of the things you will not consider and the definition of niche is energy, franchise, insurance-linked, life settlement, real estate... I wanted to clarify whether an asset-backed fund (which is what we would propose) would fall into this niche definition or whether it is something you are open to considering here?

Essentially trying to ascertain whether when you say private credit here, the intention is to corporate borrowers/operating businesses?

Answer: CTPF will consider multi-strategy asset-backed funds. CTPF will not consider single strategy asset-backed funds in the niche categories as defined in the RFP (energy ~ fossil fuels, franchise, insurance-linked, life settlement, real estate). Single strategy asset-backed funds outside of these niche categories will be considered.

19. Question

- Do you consider CLO strategies to be “niche”?
- Does this search consider CLO strategies focused on junior tranches (e.g. equity and mezzanine debt) in a hedge fund vehicle, including investments in European CLOs?

- The securities in our proposed strategy are mostly acquired in the secondary CLO market. Does that preclude the strategy from this search?
- Does this search consider hedge fund strategies primarily investing in CLO junior tranches (e.g. equity and mezzanine debt) of 3rd party CLO managers, including investments in European CLOs? If so, would CTPF consider this a “private credit” strategy as it relates to completing Exhibit A?
- The securities in our proposed strategy are mostly acquired in the secondary CLO market. Does that preclude the strategy from this search?
- Will you consider a dedicated CLO/Structured Credit strategy for part of the \$350m allocation?
- Would CLO equity and mezz be defined as “Niche” for the purposes of this RFP?
- We have one clarifying question around the Scope of Work item (1)(d) – we wanted to confirm whether CLO/structured credit strategies would fall within the scope of the search? They were not mentioned as products that would not be considered, but we wanted to confirm that they did fall within the desired spectrum of private credit strategies.

Answer: CTPF would consider all CLO and junior capital strategies for this search, including strategies with hedge fund structures.

20. Question

We note specifically that the following investment strategies will not be considered for this search “Niche: energy (i.e. fossil fuels), franchise, insurance-linked, life settlement, real estate.” Can you please confirm that other niche strategies which are not specifically listed may be considered (for example, healthcare)?

Answer: CTPF will consider niche strategies outside of energy (i.e. fossil fuels), franchise, insurance-linked, life settlement, and real estate.

21. Question

- I saw the notice below come out and just wanted to confirm if CTPF is considering real estate debt as part of the upcoming private credit search? The paragraph below that was posted on findaily states that you are; however there is some discrepancy between this and the RFP itself so I thought it was worth checking.
- Would you consider a commercial real estate debt fund/strategy for the mandate?

Answer: Real estate debt will not be considered. Please consider the Fund’s RFP documents as the first, only, and final source for information regarding this private credit search.

22. Question

- In the guideline section, under niche, it says that real estate would not be considered. Would you consider a multi strategy Opportunistic fund where real estate debt is incorporated into the strategy?
- Will strategies that are backed by mortgage credit be eligible?

Answer: Real estate debt would be considered as part of a multi-strategy opportunistic fund, subject to a maximum of 10% of the total allocation within the fund.

23. Question

The RFP provides CTPF's private credit relative benchmark (50% JP Morgan High Yield + 50% Morningstar LSTA Loan Index + 1%) that the strategy should exceed. Does CTPF have an absolute total gross or net return target range for the funds selected in the search?

Answer: There is no target range currently. The target return range will depend on the ultimate portfolio structure, which will be finalized at the conclusion of this search.

24. Question

With respect to the Chicago Teachers' Pension Fund private credit investment manager request for proposal, can you please let us know specifically which JP Morgan high yield index (Global, US or Europe) and which Morningstar LSTA loan index (leveraged loan, leveraged loan 100 or performing loan) are being used to benchmark this mandate?

Answer: The indices are the J.P. Morgan Domestic High Yield Index for US strategies and the J.P. Morgan Europe High Yield Index for European strategies. We will use the Morningstar Leveraged Loan Index.

25. Question

- How will CTPF utilize their benchmark (50% JPM HY/50% Morningstar LSTA Loan Index) to review submitted strategies? Will the benchmark be used as a hurdle criterion that funds' performance must meet or simply as a reference for the performance of CTPF's overall private credit program? Additionally, what time period is CTPF looking for (cumulative, since inception, quarterly, etc.)?
- Is the proposed benchmark flexible, or is this set with JPM HY and Morningstar LSTA Loan Indices?

Answer: The benchmark return is not a hurdle. It is a reference and benchmark for total private credit portfolio performance. There are no plans to update this benchmark.

26. Question

Please clarify what this means: "The Investment Manager will have independent discretionary authority with respect to the investment of that portion of assets managed by the Investment Manager."

Answer: The investment manager has discretionary investment authority over the portion of CTPF assets awarded to the manager under this mandate.

27. Question

- Will monthly reporting be required or is quarterly acceptable? In almost all of our private credit reporting across the \$75bn in AUM we typically utilize quarterly which has been acceptable for our limited partners given the illiquid/private nature of the asset class.
- Is monthly reporting required for closed-end funds?

- Performance for the proposed fund will not be available monthly. Gross and net performance will be provided on a quarterly basis with gross and net IRRs and MOICs. Please confirm that quarterly performance is acceptable.
- The RFP's Scope of Work states that "The Investment Manager shall provide monthly, quarterly and annual performance (gross and net of fees) and portfolio valuation reports to CTPF and Callan." Safe to assume the monthly reporting is only required for an open-end fund and that any closed-end fund selected would just be required to provide quarterly and annual reporting?
- Are monthly, quarterly, and annual performance metrics all required, or are two out of three sufficient?
- Regarding the scope of 'providing monthly, quarterly and annual performance (gross and net of fees) and portfolio valuation reports to CTPF and Callan'- Are these standard portfolio evaluation reports to be provided or do you prefer a professional to meet in person at one of these frequencies?
- Is monthly gross and net performance reporting a requirement? Our strategy reports its performance to investors on a quarterly basis.
- Relating to the Scope of Private Credit Investment Manager Services #3, our Fund is closed-end and only does quarterly valuations and IRRs vs monthly or annualized returns. Is this still appropriate for the submission?
- Is there a specific deadline in mind for these written reports?

Answer: Quarterly and annual reporting are acceptable for both evergreen and draw-down funds. Quarterly in-person meetings are not required.

28. Question

"The Investment Manager shall adhere to the due diligence responsibilities as detailed in the Investment Management Agreement and Investment Guidelines." Please clarify if this is referring to our proposed fund's governing documents or other CTPF-related documents. If the latter, could CTPF please provide copies?

Answer: This refers to the manager's investment management agreement with CTPF and the eventual Private Credit investment guidelines in CTPF's Investment Policy Statement.

29. Question

"The Investment Manager shall outperform the peer group median and the benchmark over full market cycles." Please clarify who is within the peer group.

Answer: The peer group will consist of managers with strategies similar in structure and approach. This will vary from strategy to strategy.

30. Question

- Does acknowledgement in writing that the General Partner has fiduciary duties to its Limited Partners and to the Partnership in accordance with the Advisers Act and the Bo terms of the Partnership Agreement satisfy this requirement? → "Acknowledgement in

writing by the Investment Manager that it is a fiduciary with respect to the pension fund or retirement system”

- Under the Minimum Qualifications, we note the request for confirmation that the Investment Manager is a fiduciary to the pension fund or retirement system. Will you consider a proposal from an Investment Manager that provides a fiduciary duty to the relevant Partnership(s)? We have a standard of care that applies to all investors in our commingled funds.
- Is the requested fiduciary relationship with respect to the assets attributable to the Investor, or with respect to the Investor themselves?

Answer: No, CTPF requires that the Investment Manager act as a fiduciary to the pension fund. Funds that cannot meet this requirement will be disqualified.

31. Question

- Pg 6. Minimum Qualification #14(6) – is the expectation that third party service providers/external proprietary resources utilized during the investment process will qualify as “subcontractors”?
- Concerning Section III, Item B14-(6):

Who does CTPF consider “subcontractors”? Please expand.

Answer: Please refer to section III-B-14(6) of the RFP for guidance on the definition of subcontractors.

32. Question

Minimum Qualification #14 – is the expectation that this list of items will be documented via side letter (where absent from the fund’s governing docs)?

Answer: You must provide this as part of your RFP submission to be considered for selection, as detailed in the opening paragraph of Section III-B of the RFP.

33. Question

- The credit strategy we wish to propose has a track record beginning on Jan 1, 2022. Can we utilize the track record of the investment team from their prior organization (managing the same strategy) to meet the 3-year requirement?
- Will a track record from another firm satisfy the three-year track record requirement? Our private credit offering is a new product to our firm, but the two Portfolio Managers running the strategy have extensive experience managing private credit portfolio for institutional investors.
- For emerging managers, would you like to see their principals’ prior firm performance history?

Answer: Track records from prior firms are acceptable if they conform with GIPS Standards on Performance Records Portability

34. Question

Would you accept the team aggregate track record vs a specific commingled fund track record?

Answer: Respondents must submit the track record for the proposed fund. Respondents may provide the team aggregate track record and specify how it is applicable to the proposed strategy.

35. Question

To be selected for this mandate, does the investment manager need to register to do business in the state, as a lobbyist or for any other state or local licensing? If so, when would the registration need to be completed by?

Answer: Respondents are encouraged to consult with legal counsel and comply with Illinois statutory requirements to do business in the State of Illinois, City of Chicago, and conducting lobbying activities. Investment managers are required to be Registered Advisers with the SEC.

36. Question

In qualification 13 below, it mentions completing CTPF's DDQ. Our understanding is that this "DDQ" refers to section VIII. Proposal Content and Format. Could you please confirm there is not another DDQ for CTPF that we must submit? We understand the Callan questionnaire is part of this submission.

Answer: Aside from Section VIII, there is no other DDQ in this RFP to complete. Please also complete Callan's Manager Questionnaire and data collection spreadsheet as detailed in the RFP.

37. Question

We are attempting to locate Callan's Manager Questionnaire for completion. However, the "Manager Questionnaire" button on Callan's website leads into Callan's portal, directly into the Products tab. We do not see any document titled "Manager Questionnaire". Would the Manager Questionnaire be referencing the "Overview" section within the portal?

Answer: Clicking on the "Manager Questionnaire" tab on the Callan website takes you to the CallanDNA login page. This is Callan's database. There is no questionnaire document like the one in the RFP that the manager pulls down and submits. Instead, respondents should submit their information into the database and complete all sections (above and beyond "Profile" information). In addition to Callan's database, respondents must complete Callan's spreadsheet found under Exhibit D – CTPF Private Credit Search Data Request

38. Question

For your Private Credit Search, do you include LGBTQ+ under your definition of minority-owned firms?

Answer: No

39. Question

We're looking to submit a first-time fund managed by a majority women-owned enterprise with minimal current Assets Under Management. Regarding Question 4 of Section D – as an emerging manager, we do not yet have third party certification of being a female-owned business, however we believe we satisfy the requirements as defined in the Illinois Business Enterprise for Minorities, Females, and Persons with Disabilities Act, and we wanted to confirm if the attached attestation of the firm being at least 51% owned by women would suffice for the purposes of this RFP?

Answer: An attestation is insufficient for the purposes of this RFP. Lack of MWDBE certification is not an immediate disqualification. However, should your strategy be ultimately selected for the mandate, certification is expected prior to executing a contract with CTPF. CTPF does not require Illinois certification, but the certification must state the name and location of the certifying body/organization.

40. Question

Instructions are provided on how to submit the RFP: "In order to be considered for selection, proposals must be received via email, in PDF format, by Lupe Garcia at procurement@ctpf.org no later than 4:00 p.m. (CST), on January 19, 2024." However, given the potential final file size of the RFP, the submission materials may be too large to send over email – what is the best approach in this case?

Answer: Responses may be broken up into multiple emails if file size prevents transmission via email to CTPF. Please contact procurement@ctpf.org if you believe a response's size will create a transmission problem.

41. Question

We understand that CTPF has made commitments regarding fossil fuel holdings, working towards a deadline of December 2027. In relation to these commitments, we would like to clarify:

- (a) how fossil fuel holdings are defined by CTPF; and
- (b) whether fossil fuel holdings with credible transition plans towards net zero targets would still be accepted post-December 2027 under CTPF's investment policy.

Answer: We define "fossil fuel holdings" as companies in the coal, oil and gas industries. As such, fossil fuel holdings with credible transition plans toward net zero targets will be accepted post-December 2027.

42. Question

Section J. Investment Philosophy and Process has several questions that are not applicable to our strategy (i.e. #17-19 and #33-38). Would we leave those blank?

Answer: If a question does not apply to your strategy, please do not leave it blank. Enter "not applicable" or "n/a."

43. Question

Are the public proposals posted on your website or is it only “public” if there is a FOIA type request?

Answer: Please refer back to the opening paragraphs in section VIII of the RFP. Proposals will not be posted to the public website without first notifying the respective respondent.

44. Question

- Are firms free to choose what to include in the public proposal or are there certain requirements that need to be included in the public proposal?
- Public and confidential written proposals – should the public version be a redacted version of the confidential document or written in a different manner that the responses will 100% be made public?
- Regarding the Illinois Freedom of Information Act, can you please confirm that the bidder is only liable to share information from the version of the proposal marked as “Public?”

Answer: Please refer back to the opening paragraphs in section VIII of the RFP. CTPF recommends that each respondent consult with an attorney to identify any exemptions permissible under a FOIA.

45. Question

- For question 18 in section D, due to its sensitive nature, we cannot share the disclosure on our cybersecurity testing without an NDA. We would be happy to provide upon execution of an NDA. Would this eliminate us from consideration?
- Would you be willing to sign an NDA ahead of the RFP submission date to allow for more detailed investment holdings detail?
- Are you able to sign an NDA prior to our submission?

Answer: To preserve the RFP timetable, CTPF will not execute non-disclosure agreements (NDAs) prior to RFP submission. Please provide your firm’s best response without requiring the execution of an NDA. Candidates may separate sensitive information by providing public and confidential versions of their submission. Please refer to the opening paragraphs of Section VIII in the RFP. Note that public and confidential copies of the proposal are required from all respondents.

46. Question

“What is the role of your parent firm in resource allocation and investment decisions? Please describe other relationships or affiliated transactions.”

Please expand on what this question is asking for.

Answer: Please describe the extent of any parent and/or affiliate companies’ involvement in the investment manager’s business, including sharing of parent company investment team members and resources with the private credit strategy being considered.

47. Question

If an acceptable strategy, would it be understood, and OK, that our firm doesn't have a dedicated workout team, as it relates to Sections: E – Firm Personnel #6; and F - Product Personnel #7?

Answer: A dedicated workout team is not mandatory, but please discuss workout experience within the broader framework of your team.

48. Question

In Question F(4), how does CTPF define "Cycle Experience"? Are you looking to determine whether our investment professionals have experience investing across market cycles? Are you looking for Y/N as an answer or would you like additional details?

Answer: Yes, we would like to determine investment professionals' experience investing across market cycles. Please provide details concerning this experience. Yes/No responses are not sufficient for this question.

49. Question

- *"Will your Firm use outside contractors (subcontractors) for this engagement? If so, describe the confidentiality agreements in place to protect sensitive information from disclosure. What is the allocation or scope of services that will be assigned to outside contractors (subcontractors)?"*

Please clarify what is meant by "this engagement."

- *"Discuss the use of employment contracts and any pending expirations. Additionally, indicate the number and nature of part-time professional staff to be employed in this engagement."*

Please clarify what is meant by "this engagement."

Answer: Engagement pertains to the duration of the mandate with CTPF.

50. Question

Concerning the tables in question VIII-H3:

Regarding "Max Assets" and "Max Number of Clients", is the table looking for the highest AUM (dollar amount) and number of clients within the firm's and proposed product's histories? If not, please confirm what data these columns are asking for.

Answer: Yes.

51. Question

In Question H(5), is the request for a representative client list requesting a summary of our largest investors in a given strategy by client type (e.g., large US public pension plan, endowments, foundations etc.)?

Answer: The representative client list should be composed of clients invested in the proposed strategy. Respondents may choose which clients to include.

52. Question

Concerning question VIII-I-#5: *"(...) Additionally, please describe any relationships that may provide access to hard-to-access investment managers and strategies."*

Please expand on what this part of the question is asking for.

Answer: If the proposed strategy is a fund-of-funds, the question seeks clarity on the ability of the fund-of-funds investment manager to access other managers/strategies that are typically oversubscribed or closed to new investors.

53. Question

Concerning question VIII-I-#17: *"Please provide a complete list of investments in your current fund including descriptions, structure, terms, and current performance metrics. For closed- end funds, please provide information for the most recent fund. If your most recent fund is not yet in its investment period, please provide information from the predecessor fund in the series. For fund-of-funds, please provide a complete list of the sub-managers including descriptions, approach, performance, and the relative ranking of each-sub-manager versus their respective peer group."*

- Question 1: Regarding the current performance metrics requested, is it sufficient to provide asset-level gross metrics and fund-level net metrics? On both the asset and fund level, which performance metrics is the CTPF team looking for specifically?
- Question 2: What is description defined as? Business description, transaction description, other?
- Question 3: What is structure defined as? Leverage used, type of security invested / seniority in capital structure, other?
- Question 4: What are terms defined as? Pricing, leverage, covenants, other? Please provide a list of terms the CTPF team is looking for specifically.

Answers:

1. For current performance, asset-level gross metrics and fund-level net metrics are sufficient. Please reference the "Performance Loss & Recovery" tab in Exhibit D as a guide for performance metrics
2. Describe each business, how it was sourced, and the transaction
3. Yes
4. Describe all the terms of the transaction, including pricing, covenants, leverage and any other terms applied to the transaction.

54. Question

Concerning question VIII-J-#12: *“Describe how an investment may be structured differently between internal competing products.”*

Please expand on what this question is asking.

Answer: Please provide a response based on your best interpretation of this question

55. Question

Concerning question VIII-J13: *“Discuss the return drivers of the proposed strategy (include history, research, ongoing development, etc.).*

Please clarify what is meant by history, research, ongoing development, etc., and how these are seen as related to return drivers of the proposed strategy.

Answer: How have return drivers changed over time? Has the mix of return drivers remained constant or has it varied over time through vintages and cycles? How has the investment team’s research informed decision-making that impacts performance? How has the team adjusted its approach over time, if at all, to drive performance?

56. Question

Question VIII-K4 – may you please clarify how the first part of this question is different than J29?

Answer: Question J29 concerns risk in the investment process. Question K4 concerns risk with respect to the firm’s internal controls.

57. Question

Question J31 – may you please clarify what this is referring to? Is it related to collateral for hedging or asset-based lending or something else?

Answer: Question J-31 concerns asset-based lending.

58. Question

- Does the CTPF have a preference on the use or availability of fund level leverage?
- Does the CTPF have a preference or aversion to funds with leverage applied?
- Is the preference for an unlevered or levered vehicle. If leverage is preferred, what is the preferred range of leverage?
- How does CTPF think about leverage preferences for this mandate?
- Does CTPF have a preference for a levered or unlevered fund?

Answer: CTPF will evaluate both levered and unlevered fund structures.

59. Question

- Concerning question VIII-N6: *“What is your billing frequency?”*

What type of billing is this referring to?

- Concerning question VIII-N8: *“State any special considerations with respect to billing or payment of fees and expenses that Respondent offers and that you believe would differentiate your Firm from other proposals and make your Firm’s services more cost effective to the Fund.”*

Please clarify what this question is looking for or provide an example.

Answer: Billing refers to fees charged by the investment manager. Please provide a response based on your best interpretation of this question.

60. Question

If the Firm does not have U.S. tax-exempt plan sponsors that have terminated a relationship with the firm, who should we supply for references?

Answer: If respondents do not have an example of a U.S. tax-exempt plan sponsor that has terminated the proposed strategy, the respondent may answer with “N/A”.

61. Question

We have two questions related to the CTPF RFP, Private Credit Investment Manager, INV FY 2024-002, Section VIII. Proposal Content and Format, Sub section P. Appendices and Attachments

- Should the appendices and attachments be submitted as:
 - Individual documents
 - One package containing all the appendices and attachments
 - All appendices and attachments attached at the end of the RFP questionnaire document
- Should the appendices and attachments all be in pdf format or should the spreadsheets be attached as excel spreadsheets?

Answer: CTPF prefers one comprehensive package containing all appendices and attachments pertinent towards the completion of this RFP. Please send **BOTH** Word and PDF versions. However, Excel spreadsheets should not be converted to PDFs. Spreadsheets must be submitted in Excel format as individually labeled files.

62. Question

- Is completion of EEOC table a requirement in order to be considered? Our firm will not be able to provide requested racial data about our employees.
- Questions on Exhibit C (the team diversity template):
 1. Per the instructions in red that say “Please do not change the Table format. Delete these instructions before printing the above Table.”, does that mean we should deliver this back to CTPF in an Excel format but having removed the instructions?

2. May we add relevant footnotes and disclaimers to the bottom of the page or upfront as another tab? We understand maintaining the integrity of the Excel file format is important so want to be cognizant of any potential for formatting mishaps.

Answer: Completion of the EEOC table is required. Instructions do not have to be deleted. Adding footnotes is permissible.

63. Question

CTPF Spreadsheet, Summary Information Tab – FIRM AUM field note indicates the cell should be completed using AUM as of 3/31/2022. Please advise if this should be as of 3/31/2023 instead.

Answer: This was a typo. Please provide firm AUM as of 9/30/2023. A corrected version of Exhibit D will be posted to the CTPF webpage, Investment Procurements.

64. Question

“Performance (Net)” Tab in Exhibit D is asking for unlevered fund performance. Can we provide levered?

Answer: As a starting point, we would like net unlevered performance. We are happy to look at net levered IRRs as an addition if available.

65. Question

Regarding the ‘Summary Information’ tab included in the Exhibit D Excel, can you clarify what you are looking for specifically with Strategy ‘Weights’? Further, are you asking for specific percentages of the proposed strategies or the proposed solution?

Answer: "Strategy weights" are relevant only for multi-strategy submissions.

66. Questions

Question regarding the following tabs: Strategies Offered, Firm and Strategy Overview, Summary Information. Please clarify what “strategy” is referring to. Is this investment strategy of our direct lending platform (i.e. sponsor direct lending, etc.) or should each strategy represent a different fund within our direct lending strategy (i.e. 6 strategies/funds within our direct lending platform, regardless of each fund’s investment approach).

Answer: Strategy refers to the investment strategy not a specific fund.

67. Question

Confirming for the “Performance loss and recovery” in Callan’s template, are you looking for just the investments with losses or all investments in the strategy?

Answer: All investments in the strategy.

68. Question

- Do you have a word/editable version of the Private Credit RFP posted online? We'd like to review.
- Will the document be shared in an editable version? A word document, for example.

Answer: No, a Word version of this RFP will not be distributed. However, respondents can use software (MS Word, Adobe Acrobat, etc) to convert PDFs to an editable format if needed.