

Santa Barbara County Employees' Retirement System
Core and Core Plus Fixed Income RFP
April 12, 2017

Questions Submitted by Asset Managers

Question Number (Questions are not printed verbatim in all cases as most questions were asked by more than one manager, and so we have paraphrased where necessary.)

SBCERS Responses

1	What is the approximate size of the Core and Core Plus mandate, separately?	The combined allocation to both Core and Core Plus strategies is \$300m and the final Core and Core Plus share will be roughly 50/50. However, there may be changes to this due to the risk/return profile of the final strategies selected.
2	Do multiple bids need to be submitted when a firm is submitting a Core and a Core Plus strategy?	SBCERS will accept a combined response as long as the strategy-specific information is broken out, for instance in the case of AUM, fees, portfolio leadership, etc., please indicate clearly which information pertains to the Core and Core Plus strategies.
3	Will you accept a vehicle that is valued monthly, as in the case of a separate account?	Yes.
4	Is there a preferred vehicle for investment?	SBCERS is open to all vehicle structures.
5	Will you accept a strategy that utilizes shorting?	SBCERS is open to accepting strategies that use shorting.
6	What are the current portfolio guidelines and sector limitations for the Core and Core Plus mandates?	Please submit proposals with the standard strategy guidelines.
7	Should a fee proposal be considered a best/final fee?	All fees submitted are considered the best and final fee proposal.
8	Would a Core mandate be allowed to own any non-investment grade or out-of-benchmark securities? And the limits of those exposures?	Please submit proposals with the standard strategy guidelines.
9	Are there Core Plus constraints/limits that managers should be aware of before submitting a proposal?	N/A.
10	What is the current market value of the Core allocation?	As of 12/31/2016 the market value of the Core allocation was \$111 million, the market value of the Core Plus allocation was \$138 million.
11	What is the effective fee for the current Core allocation?	SBCERS Core investment fee schedule is currently 0.375% on first \$30m, 0.250% on next \$70m, 0.125% on next \$400m
12	Do the "Additional Documents and Materials" (page 7) need to be sequentially numbered? For example, if we are including a document that is already page numbered, such as the Form ADV, do we need to re-do the pagination of that so that it flows with the order of the rest of the documents?	No additional pagination is required. As long as a table of contents is provided for ease of navigation between sections.
13	Regarding the format of the responses, in Section G part 1 (pg. 7 of the RFP), the "please note" at the bottom of the page refers to signatures being required on both the Letter of Transmittal and Fee Proposal. Is there a separate Fee Proposal required for submission with our response? Section F of the questionnaire (pg. 18 of RFP) is the only section we find detailing a managers Fee Proposal. Please confirm how fees should be detailed for the proposal response.	Signatures on both the Letter of Transmittal and Fee Proposal would be preferred.
14	The RFP requests a copy of the firm's current ADV Form Part II (Corporate Review and Disclosure) in Question A3. Please clarify whether you would like Part 2A, Part 2B or both	Please provide a copy of the ADV Form Part 2A and Part 2B.
15	Please advise whether this (Core mandate) is for investment grade credit only, and if not, what minimum credit quality you would accept for the Core strategy.	Please submit proposals with the standard strategy guidelines.

Santa Barbara County Employees' Retirement System
Core and Core Plus Fixed Income RFP
April 12, 2017

Questions Submitted by Asset Managers

Question Number (Questions are not printed verbatim in all cases as most questions were asked by more than one manager, and so we have paraphrased where necessary.)

SBCERS Responses

16	<p>If responses to questions are considered “Confidential/Proprietary/Trade secrets” may we state that fact in the RFP under the question and provide all “confidential” responses in an attachment labeled “Confidential Proprietary Information” specifying that the information contained not be included in California Public Records Act requests?</p>	<p>As a public entity that invests public funds, SBCERS is obligated to produce materials on request to members of the public pursuant to the California Public Records Act. Responses to requests for proposal are generally subject to disclosure upon such a request. There are exemptions applicable to a Public Records Act request for information that is a trade secret or similar proprietary materials. If an applicant wishes to submit materials that they believe fall within the scope of such exemption such materials should be separately submitted and clearly labeled as confidential/proprietary. However, it should be noted that SBCERS has an independent duty to evaluate whether production of information in response to a Public Records Act is required by law and it can make no assurances or guaranties that the materials submitted can or will be protected from disclosure, or that they will not be ordered to be produced by a court even if initially withheld from production.</p>
----	--	--