

NORFOLK COUNTY RETIREMENT SYSTEM

480 Neponset Street, Building 15

Canton, MA 02021



**PORTFOLIO MONITORING & SECURITIES LITIGATION
SERVICES REQUEST FOR PROPOSALS (RFP)**

ISSUE DATE: September 7, 2021

PROPOSALS DUE: September 28, 2021 AT 12:00 PM.

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BACKGROUND

The Norfolk County Retirement System ("NCRS") is a municipal retirement system in the Commonwealth of Massachusetts that is governed under Massachusetts General Laws, Chapter 32, and a five-member Board ("Board"), subject to the regulations of the Public Employee Retirement Administration Commission ("PERAC").

NCRS has approximately \$1 billion in assets under management and serves more than 10,000 participants from 19 municipalities, 15 housing authorities, and 7 special districts.

The selected firm(s), individual(s), and/or company(s) shall act and be retained by the Board to monitor NCRS's portfolio and report any U.S. litigation that impacts NCRS. NCRS will review reports and determine whether it wishes to be further involved in U.S. litigation; however, the selected firm(s), individual(s), and/or company(s) cannot be assured that the Board will participate in any U.S. litigation.

INSTRUCTIONS TO PROPOSERS

Responses to this RFP must be submitted on or before **September 28, 2021 by 12:00 PM EST**. Any proposal that does not meet this deadline shall not be accepted or considered. All proposals must be submitted to:

Kathleen Kiely-Becchetti, Esquire
Executive Director
kkb@norfolkcrs.com

Proposers must submit one (1) electronic copy of their proposal to kkb@norfolkcrs.com with "RFP: Portfolio Monitoring & Securities Litigation Services" as the subject line. No amendments will be accepted after the closing date and time.

All proposals must be complete in all respects. The Board reserves the right to request additional information or clarifications to any proposal. The Board may, at its sole discretion, determine that a proposal has failed to meet the criterion of this RFP and may disqualify that proposal.

The Board further reserves the right to waive any "minor informality" as defined in section 23B of Chapter 32 in any proposal received. The determination as to whether or not to make an award as a result of this RFP shall be at the sole and absolute discretion of the Board.

Proposers must submit all required information, forms, and attachments as specified in this RFP.

An individual, corporation, or firm may correct, modify, or withdraw a bid by written notice received by the Board prior to the Submission Deadline. After the Submission Deadline, provisions of the bids may not be changed in a manner prejudicial to the interests of NCRS or fair competition. The submission must remain firm for 90 days after the Submission Deadline.

The Board reserves the right to cancel this RFP, or to reject any and all proposals, or any portion of any proposal received in response to this RFP, upon its determination that such cancellation or rejection is

in the best interests of NCRS. Proposers acknowledge that the Board shall not be liable for any fees incurred in the preparation of their proposal.

TERM OF CONTRACT

The term of the contract shall not exceed seven (7) years in totality with five (5) years acting as the primary term of this contract/contracts and two (2) additional option years, which will be solely at the discretion of the Board. The Board reserves its right to terminate the contract for any reason.

STATUTORY AND REGULATORY REQUIREMENTS

No contract may be awarded unless all forms required by this RFP are completed. Further, no contract/contracts may be awarded unless all of the requirements are met as set forth in Chapter 32, Section 23B. In addition to the forms required in this RFP, a Proposer must submit the PERAC Vendor Certification Form as provided on PERAC's website at <http://www.mass.gov/perac/docs/forms-pub/forms/c-8135.pdf>. All Proposers must complete and submit this form with their proposal.

No award will be made without the following certification signed as part of the response:

The undersigned certifies under penalties of perjury that this proposal has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, entity, or any other organization or group of individuals.

SCOPE OF SERVICES

The services requested will include, but not be limited to:

- Monitor the Board's invested assets for any losses that may have occurred as a result of a violation or potential violation of Federal and/or State securities laws or a breach of any duty owed to the Board.
- Provide the Board with ongoing comprehensive securities monitoring and administration service that will afford the Board expert legal advice, counsel, and litigation-related services involving all aspects of securities litigation.
- Use internal and external resources to identify and monitor securities litigation in which the Board may have an interest.
- Advise the Board of the existence of situations where litigation or arbitration may be warranted, including an assessment of likely outcome, whether there is ongoing litigation to which the Board should be a party, whether the Board should apply to be lead plaintiff or seek to join the lead plaintiff group, whether the Board should remain in the plaintiff class or opt out, various deadlines that affect the Board's rights, and other factors, as appropriate, to enable the Board to make an informed decision as to how to proceed.

- Be responsive to and available on an “as needed” basis to confer with and provide recommendations to the Board regarding case status, strategies, and potential settlement or other resolution of cases.
- On at least a quarterly basis, the selected firm(s) shall issue a report on the status of any pending or potential litigation relative to the Board’s investments.

CONTRACT(S)

The Board will enter into a contract/contracts not to exceed seven (7) years with five (5) years acting as the primary term set forth for this contract/contracts with two (2) additional option years. The Board reserves the right to terminate any contract/contracts in which it enters on with thirty (30) day notice without cause or immediately with cause.

RULE FOR AWARD

The Board will evaluate the submitted proposals. If the Board requires initial clarification or additional information, the request will be communicated to the designated contact of the Proposer. The Board reserve the right to initially interview one or more Proposers to seek clarification during the evaluation process, if deemed necessary.

The Board reserves the right to create a Selection Committee to review, interview, and rate the proposals. The Board or the Selection Committee will review the proposals and provide ratings based on the criteria contained in this RFP. Upon the completion of this review, the Board will select the winning proposals based on the rating and evaluation of the Board or Selection Committee.

The selected proposals may not have the highest composite ranking. The selected proposals will be based on the evaluation of the benefits associated with each proposal. The proposals selected will be those that provide the best combination of quality and performance for NCRS.

No contract/contracts for services under this RFP shall be executed until such contract/contracts is authorized by a majority Board vote at a duly noticed Board meeting.

EVALUATION CRITERIA

Each proposal will be rated in the following manner and on the following criteria:

1. Provide a statement setting forth the name of a contact person with accompanying business, email, fax number and cellular number, where available, to allow for follow-up contact during business and non-business hours.

Highly Advantageous: The Proposer is able to provide all of the information requested.

Advantageous: The Proposer is able to provide some, but not all of the information requested.

Not Advantageous: The Proposer is unwilling to provide some of the information requested.

Not Acceptable: The Proposer is unwilling to provide any of the information requested.

2. Provide a brief history of the firm, including the year the firm began providing securities litigation services; specific details with regard to the nature of services provided, with special attention to public sector experience and explicit experience with securities litigation services for government funds.

Highly Advantageous: The Proposer has five (5) or more years of experience in providing securities monitoring & litigation services in the state of Massachusetts with specific experience with public pension funds.

Advantageous: The Proposer has fewer than five (5) but more than (three) 3 years of experience providing securities monitoring & litigation services to public pension funds in the state of Massachusetts or outside the Commonwealth of Massachusetts.

Not Advantageous: The Proposer has three (3) or fewer years of experience in providing securities monitoring & litigation services to public pension funds.

Not Acceptable: The Proposer does not have experience in providing securities monitoring & litigation services to public pension funds.

3. Define how the firm would monitor and evaluate the Fund's investment portfolio for losses that may have been incurred as a result of a violation or potential violation of the federal or state securities laws. Indicate whether the firm's securities monitoring services are to be provided directly by the firm or if all or any part of the process is to be provided through a third party. Please detail the nature of monitoring services, case evaluation services, and investigation of potential matters.

Highly Advantageous: The Proposer does not utilize any third parties in the monitoring and/or evaluation of the investment portfolio's exposure to U.S. traded securities and directly employs all professionals who conduct the investigation and/or evaluations.

Advantageous: The Proposer utilizes some third parties in monitoring and/or evaluating the investment portfolio's exposure to U.S.-traded securities.

Not Advantageous: The Proposer outsources all non-legal monitoring and/or evaluation responsibilities to third parties.

Not Acceptable: The Proposer outsources and/or contracts with third parties to provide both legal and non-legal monitoring and/or evaluation of the investment portfolio.

4. Describe the reporting process that you would use regarding the monitoring and evaluation of the Fund's portfolio and/or advice and recommendations concerning potential class action litigation in the United States and provide examples of reports.

Highly Advantageous: The Proposer tracks portfolio trading and cross references trading against potential securities claims utilizing trained lawyers, forensic accountants, damage analysts and software programmers employed by the Proposer.

Advantageous: The Proposer tracks portfolio trading and cross references trading against potential securities claims utilizing trained lawyers, forensic accountants, damage analysts and software programmers who may be contract employees and/or third parties.

Not Advantageous: The Proposer tracks portfolio trading and cross references trading against potential securities claims utilizing trained lawyers, forensic accountants, damage analysts and software programmers who are independent contractors and/or third parties.

Not Acceptable: The Proposer does not track portfolio trading and cross references trading against potential securities claims utilizing trained lawyers, forensic accountants, damage analysts and software programmers.

5. Describe the reporting process your firm would use when the Fund participates in litigation as lead plaintiff in a class action or as a passive member of the plaintiff class in a U.S. action and provide examples of reports.

Highly Advantageous: The Proposer's reporting process would provide a quarterly report that would include a case summary, allegations of the claim, the alleged market loss, the quantification of such loss, and the identity of the defendants, the court in which the action is filed, class period and key dates, such as for the filing of motions or lead plaintiff status.

Advantageous: The Proposer would provide a quarterly report that contained some, but not all of the information outlined above.

Not Advantageous: The Proposer would provide periodic reporting, but only alerts clients when a claim arises.

Not Acceptable: The Proposer does not provide periodic reporting, but only alerts clients when a claim arises.

6. Describe any and all online services that your firm provides. Please describe these services including online monitoring, webinars, and any client extranet. Where such systems can be reviewed or tested online, please provide information on how such systems can be viewed or tested.

Highly Advantageous: The Proposer provides online monitoring service, webinars, and a client extranet that can be viewed and/or tested by potential clients.

Advantageous: The Proposer provides some, but not all of these services, which can be viewed and/or tested by potential clients.

Not Advantageous: The Proposer provides some, but not all of these services, which can only be viewed and/or tested by actual clients.

Not Acceptable: The Proposer does not provide any online monitoring service, webinars, or client extranet.

7. Provide a detailed explanation of the securities litigation services your firm would provide to the Board. Describe the anticipated role of the Board's staff in your firm's provision of the requested legal services.

Highly Advantageous: The Proposer will handle all aspects of the litigation, which would minimally involve Board staff and Board counsel, and any costs associated with Board counsel participation would be reimbursed to the Board by the Proposer.

Advantageous: The Proposer will handle all aspects of the litigation, which would involve Board staff and Board counsel, and any costs associated with Board counsel participation would be reimbursed to the Board by the Proposer.

Not Advantageous: The Proposer will handle all aspects of the litigation, which would involve Board staff and Board counsel, and any costs associated with Board counsel participation would be borne by the Board.

Not Acceptable: The Proposer will handle most of the litigation, which would rely on Board staff and Board counsel for support, and any costs associated with Board counsel participation would be borne by the Board.

8. Identify and describe the qualifications and experience of attorneys and professional personnel who would be assigned to staff Board work, as well as the current and planned role each individual would play, relative to such assignment. A short biography of such attorneys including their title, function, number of years with your firm, years of experience, and educational background should be provided. Also, identify the individual that would be the lead attorney for Board matters.

Highly Advantageous: The Proposer employs at least five (5) attorneys, two (2) of whom are partners or principals with the firm, each with at least ten (10) years of experience in prosecuting securities litigation claims.

Advantageous: The Proposer employs at least two (2) attorneys, one (1) of whom is a partner or principal with the firm, each with at least ten (10) years of experience in prosecuting securities litigation claims.

Not Advantageous: The Proposer only employs one (1) attorney with at least ten (10) years of experience in prosecuting securities litigation claims.

Not Acceptable: The Proposer does not employ at least one (1) attorney with at least ten (10) years of experience in prosecuting securities litigation claims.

9. Provide a summary of your firm's general qualifications to provide the services contemplated herein, including additional firm personnel and resources beyond the attorneys who would be assigned to Board work.
 - a. Indicate whether your firm has dedicated in-house staff to handle portfolio monitoring.

- b. Indicate whether your firm has dedicated in-house staff to investigate securities litigation cases.

Highly Advantageous: The Proposer employs in-house all legal and non-legal staff to handle portfolio monitoring, investigate securities litigation, and to file and represent the Board in all aspects of the claim.

Advantageous: The Proposer employs some in-house, but not all legal and non-legal staff to handle portfolio monitoring, investigate securities litigation, and to file and represent the Board in all aspects of the claim.

Not Advantageous: The Proposer does not employ in-house, non-legal staff to handle any of their portfolio monitoring or investigate securities litigation claims.

Not Acceptable: The Proposer does not conduct both portfolio monitoring or investigate securities litigation claims.

- 10. Summarize other relevant experience and training that demonstrate your firm's ability to advise or represent the Board in all or any number of the areas or issues listed herein. This may include non-litigation legal experience, significant litigation experience, particularly involving trial practice, writs and law and motion, appellate practice, or representation of government agencies, academic experience, professional activities, etc.

- a. Indicate whether your firm has participated as lead counsel in at least one (1) securities litigation case with an ultimate settlement or judgment that was equal to or in excess of \$50,000,000 USD.
- b. Indicate whether your firm has brought a securities class action case to trial. If so, describe the outcome, including whether your firm has taken such a case through to a jury verdict.
- c. Provide a list of recent legal articles, publications, and media appearances by attorneys at your firm.

Highly Advantageous: The Proposer has participated as lead counsel in at least one (1) securities litigation case that settled for or in excess of \$50,000,000 USD, and your firm has brought a securities class action to trial through a jury verdict.

Advantageous: The Proposer has participated as lead counsel in at least one (1) securities litigation case that settled for less than \$50 million, and your firm has brought a securities class action case to trial through a jury verdict.

Not Advantageous: The Proposer has participated as lead counsel in at least one (1) securities litigation case but has not participated in a securities class action case that went to trial through a jury verdict or through successful appeal.

Not Acceptable: The Proposer has not participated as lead counsel in at least one (1) securities litigation case and has not participated in a securities class action case that went to trial through a jury verdict or through successful appeal.

11. Provide a representative listing of securities litigation matters in which your firm within the past five (5) years has achieved favorable outcomes. Include a brief description of the type of work your firm performed on behalf of your client. Identify key issues of the case or cases and degree of success achieved. Indicate any of such cases handled by persons who may be designated as lead attorney for Fund litigation cases.

Highly Advantageous: The Proposer has handled more than one (1) securities litigation matter in the past five (5) years and at least one of the attorneys who handled one of the cases would be designated as lead attorney for Board litigation cases.

Advantageous: The Proposer has handled one (1) securities litigation case in the last five (5) years and one of the attorneys who handled the case would be designated as lead attorney for Board litigation cases.

Not Advantageous: The Proposer has handled one (1) securities litigation case in the last five (5) years but none of the attorneys who handled the case would be designated as lead attorney for Board litigation cases.

Not Acceptable: The Proposer has not handled at least one (1) securities litigation case in the last five (5) years.

ADDITIONAL INFORMATION REQUIRED

Each proposal must also provide the following information:

- Provide a list of three (3) clients who may be contacted for references.
- Provide a certificate of insurance coverage reflecting professional liability insurance equal to or greater than \$1,000,000 USD.
- Identify any actual, potential, or appearance of conflict of interest that may arise as a result of Proposer's selection to represent NCRS, including whether Proposer or any attorney affiliated with Proposer has a financial interest in any entity that acts as a litigation funder, book builder, or case manager for any shareholder recovery action outside of the United States.
- Provide a statement explaining all actual or pending litigation, grand jury inquiries, indictments, convictions, and state ethics board proceedings in the last ten years relating to the Proposer and its attorneys, including the outcome.

APPENDIX A
CERTIFICATION
PURSUANT TO M.G.L. Ch. 32, § 23B (k)(3)

The undersigned certifies under penalties of perjury that this proposal has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean a natural person, business, partnership, corporation, union, committee, club, or any other organization entity or group of individuals.

Signature

Title (duly authorized)

Date