

## TRANSITION MANAGER AGREEMENT

This Transition Manager Agreement ("Agreement") is effective as of \_\_\_\_\_, 2021, and is between the Illinois Police Officers' Pension Investment Fund ("IPOPIF" or Fund") and \_\_\_\_\_ ("Transition Manager").

### WITNESSETH:

**WHEREAS**, IPOPIF desires to appoint Transition Manager as one of its transition managers with the authority and responsibility to liquidate or restructure certain portfolios of Securities and/or assets designated by IPOPIF in writing ("Account Assets") that will constitute an account or accounts to be established at the IPOPIF's custodian ("Custodian") (each, an "Account" or "IPOPIF Account"); and

**WHEREAS**, Transition Manager is willing to act in such capacity, on the terms and conditions hereinafter set forth,

**NOW, THEREFORE**, the parties agree as follows:

#### **1. Definitions.**

**As more fully defined in Exhibit A-1:**

(a) "Legacy Portfolio" means the existing portfolio of Securities, cash, and other assets to be liquidated or restructured in a Transition.

(b) "Target Portfolio" means the portfolio of Securities, cash, and other assets identified by IPOPIF, or by the investment manager(s) retained by the IPOPIF, to be managed by the investment manager(s) receiving Account assets.

(c) A "Transition", as set forth in Exhibit A, occurs when the IPOPIF reallocates assets from a Legacy Portfolio to a Target Portfolio.

(d) "Transition Services" means the services described in this Agreement, including but not limited to Sections 2 and 7 of this Agreement.

(e) “Transition Work Order”, as set forth in Exhibit A-1, means a description of the Transition, including, but not limited to, key milestones, trading strategies, estimated implemented timeframes, and a list of Legacy and Target Portfolios. Each Transition Work Order shall be an addendum to this Agreement, incorporated into this Agreement, and executed by both IPOPIF and Transition Manager. A form of Transition Work Order is attached hereto as Exhibit A-4.

**2. Engagement of Transition Manager.** The IPOPIF will engage Transition Manager for each Account that is subject to an executed Transition Work Order. Transition Manager accepts this engagement and agrees to provide Transition Services in accordance with this Agreement and the Transition Work Order. The Transition Manager agrees that it will provide Transition Services for liquidating or restructuring the Account in a cost efficient and flexible manner and that such Transition Services shall be designed to reduce the total cost and risk associated with the Transition. As more fully set forth in Section 7, Transition Services shall include, but not be limited to, reviewing the Legacy Portfolio and, if applicable, the Target Portfolio, analysis of projected Transaction volumes and the number of Securities positions in the Transition, assistance in creating a trading strategy with respect to the price, timing, market risk, and market impact of Transactions, implementation of the Transition strategy, and implementing related Transactions, as authorized, by arranging for broker-dealers to provide trading and brokerage services to effect such Transactions.

**3. Transition Manager’s Representations.** Transition Manager agrees, represents, and warrants that:

(a) it will act as a fiduciary in the performance of Transition Services for an Account subject to a Transition, as described in this Agreement, until such time as Transition Manager’s

obligations with respect to each such Transition has terminated; and

(b) it is, and will continue at all times during the term of this Agreement to be: (1) a broker-dealer registered with the Securities & Exchange Commission under the Securities Exchange Act of 1934, as amended (“Exchange Act”); or (2) a bank or limited purpose national banking association as defined in the National Bank Act, as amended; or (3) a registered investment adviser under the Investment Advisers Act of 1940 (“Advisers Act”), as amended; or (4) an investment advisor registered with the State of Illinois under the Illinois Securities Act of 1953, as amended (“1953 Act”); and

(c) it shall promptly notify the IPOPIF in writing within 3 working days of the revocation, restriction, or suspension of such registration or of the Transition Manager’s failure to maintain its status under Section 3 (b) or to otherwise comply with any provisions of Applicable Law or Regulation; and

(d) it has made, obtained, and performed all other registrations, filings, approvals, authorizations, consents, licenses, or examinations required by any government or governmental authority, domestic or foreign, or required by any other entity in order to execute, deliver, and perform this Agreement; and

(e) it is in good standing under the laws of the State of Illinois, has the power and authority to carry on its business in Illinois as a foreign corporation, if applicable, and has the power and authority to execute, deliver, and perform this Agreement; and

(f) it is duly qualified and in good standing in such other states of the United States, as well as in such foreign countries or political subdivisions thereof, as is necessary to perform this Agreement; and

(g) to Transition Manager's knowledge, the execution, delivery, or performance of this Agreement by Transition Manager will not violate any law, statute, order, rule, or regulation of, or judgment, order or decree by, any federal, state, local, or foreign court, or governmental authority, domestic or foreign, to which Transition Manager is subject, nor will the same constitute a breach of, or default under, provisions of any agreement or contract to which Transition Manager is a party; and

(h) Transition Manager will maintain a fidelity bond(s) covering the Fund in an amount not less than \$X,000,000 per occurrence, and a cyber-liability insurance policy(ies) in an amount not less than \$X,000,000 and agrees that the fidelity bond(s) and the cyber liability insurance policy(ies) will be in effect for each Transition. Fidelity bond coverage must also include computer system and voice- initiated transfer fraud coverage. Transition Manager shall provide proof of a fidelity bond(s) and cyber policy(ies) on or about each January 1; and

(i) it has obtained fiduciary liability or errors and omissions insurance in an amount not less than \$X, that the minimum insurance shall be in effect for each Transition, and that the insurance shall provide, on a per claim and annual aggregate basis, coverage with respect to losses resulting from a breach of its fiduciary duties or a breach of this Agreement. Transition Manager shall provide proof of such insurance on or about each January 1. Transition Manager further agrees that any executing broker it utilizes in carrying out a Transition shall have, and maintain for each Transition, a minimum of \$5,000,000 in fiduciary liability or errors and omissions insurance, or shall have a net capitalization of a minimum of \$5,000,000; and

(j) Transition Manager acknowledges that members of the Board of Trustees and IPOPIF staff are subject to Section 1-125 of the Illinois Pension Code. Transition Manager represents that it has not offered or given any gratuities in the form of gifts, entertainment, or anything of

value, to any Fund Trustee, employee, fiduciary, or vendor of the Fund with a view toward securing this Agreement or securing any favorable determination made concerning the award of this Agreement or any Transition Work Order. Transition Manager covenants that no such gratuities will be given to any such person or entity with a view toward securing any favorable treatment concerning the performance and/or continuation of this Agreement; and

(k) it acknowledges IPOPIF's brokerage guidelines regarding MWDBE requirements, attached hereto as Exhibit B, and agrees that it will act as a fiduciary in selecting MWDBE brokers; and

(l) pursuant to Sections 1-113.14(c) and 1-113.21 of the Illinois Pension Code, Transition Manager has provided Transition Manager Disclosures, which are attached and incorporated herein as Exhibit C. The Transition Manager acknowledges that it shall promptly notify IPOPIF, in writing, if at any time the information contained in Sections A and C in the Transition Manager Disclosures changes; and

(m) Transition Manager acknowledges that Section 1-145 of the Illinois Pension Code prohibits a person or entity from retaining a person or entity to attempt to influence the outcome of an investment decision of or the procurement of investment advice or services of the Fund for compensation, contingent in whole or in part upon the decision or procurement. Transition Manager hereby represents and warrants that there are no placement, marketing, solicitors, finders, consulting, or other contingent fees or commissions due or paid in connection with IPOPIF's engagement of Transition Manager for the Transition Services provided hereunder; and

(n) all statements made and materials provided to the Fund in response to the Fund's search for a transition manager were true and complete. Transition Manager acknowledges and agrees that it is subject to Section 1-135 of the Illinois Pension Code; and

(o) it acknowledges and agrees that (i) IPOPIF has adopted an Ethics Policy, which is incorporated as Exhibit D, and that (ii) the Transition Manager shall not engage in any action that would cause the Board or IPOPIF to violate the Illinois Pension Code or the Ethics Policy. The Transition Manager shall promptly notify IPOPIF in the event that it believes it has violated the Illinois Pension Code or the Ethics Policy.

Transition Manager understands that the Fund has relied upon the foregoing acknowledgements, representations, warranties, covenants, and agreements and that the same constitute a material inducement to the Fund's decision to enter into this Agreement.

**4. IPOPIF Representations.** The IPOPIF represents, warrants, acknowledges, and agrees that:

(a) IPOPIF has taken all necessary action to duly authorize the execution of this Agreement and that this Agreement is a valid and binding obligation of the IPOPIF; and

(b) IPOPIF has the power and authority to execute, deliver, and perform this Agreement; and

(c) any and all authority given to Transition Manager will remain in effect until amended or revoked by the Fund in writing in accordance with the terms of this Agreement. Transition Manager may give a certified copy of this Agreement to any broker, dealer, or other party as evidence of Transition Manager's authority to act on the Fund's behalf; and

(d) the person signing this Agreement for the Fund is duly authorized to bind the Fund; and

(e) its Custodian has been authorized to follow the trading instructions with respect to any Account given by Transition Manager, in its capacity as provider of Transition Services, including, without limitation, the delivery of securities or cash to settle any securities or foreign exchange transactions; and

(f) the Fund acknowledges that Transition Manager has not provided investment advice or investment discretion regarding Fund-level asset allocation or the merits of any particular investment on behalf of the Fund; and

(g) the Fund agrees that it will provide all information that Transition Manager must obtain under applicable law; and

(h) to the extent applicable, the Fund acknowledges that all agency transactions and internal cross transactions to be executed by Transition Manager, as agent, shall be executed in accordance with: (i) 29 U.S.C. §1108(b)(19), as amended; (ii) U.S. Department of Labor Prohibited Transaction Class Exemption (“PTCE”) 86-128, as amended; or (iii) PTCE 2002-12, as amended. The links to PTCE 86-128 and PTCE 2002-12 are set forth in Exhibit E. The Fund has received all reasonably available information that it needs to determine whether to authorize such transactions, including but not limited to, brokerage placement practices and any other reasonably available information the Fund has requested. The Fund understands that it may terminate this transaction authorization at any time by sending to Transition Manager an “Election to Terminate Agency Transaction Authorization” in the form attached as Exhibit F hereto and failure to return such Election to Terminate Agency Transaction Authorization will result in the continued authorization to engage in such transactions.

**5. Authority of the Transition Manager.** Subject to the limitations on authority and responsibility of Transition Manager under this Agreement and the limitations in any instructions

given by the IPOPIF in a Transition Work Order, IPOPIF grants full discretion and authority to Transition Manager with respect to the transactions necessary to provide Transition Services including, without limitation, discretion and authority to engage in the following activities:

(a) to purchase, sell, convert, redeem or otherwise deal in investments for the account of the IPOPIF;

(b) to select the timing, price, structure, and Counterparty for each Transaction;

(c) to give instructions with respect to the disposition of investments, monies, and other assets of the Fund to the Fund's Custodian;

(d) to delegate authority to Subcontractors in order to permit such Subcontractors to furnish, or to assist Transition Manager in furnishing, Transition Services;

(e) to enter into and perform all contracts and agreements as may be necessary in order to effect the Transition and to provide the Transition Services in accordance with the terms of this Agreement and of the Transition Work Order(s) entered into between the parties;

(f) to execute swap, futures, options, and other agreements, including collateral agreements, with Counterparties, and to open and close Accounts in connection therewith, as the Transition Manager deems appropriate in accordance with this Agreement in order to carry out the Transition Manager's responsibilities hereunder; and

(g) to work with the Custodian to collect all interest and dividends and all other income and payments, whether due or paid in cash or in kind, on the securities and/or assets of the IPOPIF comprising such Account, as the same become due and payable and credit the same to the Account.



**6. Fiduciary Standard and Assurances.**

(a) Fiduciary Standard. Transition Manager agrees to discharge its duties as Transition Manager as a fiduciary, as defined in the Illinois Pension Code (40 ILCS 5/1-101.2), with respect to the IPOPIF Account Assets involved in the Transition, and to assume the duties, responsibilities, and obligations of a fiduciary. The Transition Manager shall discharge its duties solely in the best interests of the IPOPIF, and in the event of opposing or nonaligned interests with other parties, including the Transition Manager's, the best interests of the Fund will prevail. Transition Manager further agrees that it will comply with all Applicable Law or Regulations applying to Transition Manager's performance of the Transition Services covered by this Agreement.

(b) Assurances.

(1) Other Client Relationships

Transition Manager certifies that it does not and will not engage in practices or arrangements with other clients that would create a conflict of interest, subvert, or compromise the sole and best interests of the IPOPIF, or otherwise advantage other clients to the detriment of the IPOPIF.

(2) Anti-Influence Safeguards

Transition Manager certifies that it has adopted safeguards to ensure that relationships with its parent, affiliated, or subsidiary companies do not influence its transition decisions made on behalf of the IPOPIF.

(3) Transparency in Activities, Costs and Risks

Transition Manager agrees that, to the fullest extent practicable, its trading activities, strategies, and its estimates of costs and risks, including minimization

strategies and techniques, will be communicated and made known to the IPOPIF in connection with the Transition Work Order in a manner to be mutually agreed upon.

(4) Conflicts

The Transition Manager covenants that it does not have any public or private interest, direct or indirect, and shall not acquire directly or indirectly any such interest that conflicts or that may conflict in any manner with the performance of its obligations under this Agreement. The Transition Manager has disclosed, and agrees it is under a continuing obligation to disclose to the IPOPIF, all financial or other interests, public or private, direct or indirect, that would constitute a conflict of interest that would prohibit the Transition Manager from acting as a fiduciary. The Transition Manager further certifies that it will not use any entity having any such interest to perform its Transition services.

(5) Certification

Transition Manager agrees, upon request from the IPOPIF, to provide the IPOPIF with reports or information to substantiate its certification of the assurances above.

**7. Transition Services.** The Transition Manager, as agreed in the Transition Work Order, and in accordance with Exhibit A, and any Applicable Law or Regulations (as defined in (j) below) will:

(a) work with the IPOPIF, its Custodian, legacy and target managers, and the Investment Consultant to confirm the contents of the Legacy Portfolio(s) and the Target Portfolio(s);

(b) provide the IPOPIF with a detailed pre-Transition analysis, including an estimate of opportunities for in-kind crossing, internal crossing, and external crossing, and a detailed

analysis as to whether the Transition Manager will need to place any FX trades through the Custodian;

(c) based on the detailed analysis, agree with the IPOPIF on the explicit fees to be paid and the estimated implicit cost, for each Transition, which shall be set forth in the Transition Work Order with respect to each Transition;

(d) may, for Securities Transactions affected in non-U.S. markets, engage in foreign currency transactions, to the extent more specifically set out in this Agreement or in the Transition Work Order for a specific Transition;

(e) exercise discretion, consistent with any limitations imposed by the terms of this Agreement or in a Transition Work Order, over the size, price, timing, manner, place, and market impact of any Transaction that it executes in effecting the Transition;

(f) to the extent corporate actions occur involving any Security in the Legacy Portfolio or in the Target Portfolio, Transition Manager shall timely notify the IPOPIF and the Custodian of the corporate action. Transition Manager shall not be obligated to undertake any specific action in response to such corporate actions unless specifically directed by the IPOPIF. Specific actions delegated to the Transition Manager, if any, will be set out in the Transition Work Order;

(g) in its capacity as the trading advisor, provide the Fund with consulting services for a Transition in an Account in a cost efficient and flexible manner. These consulting services include, in part, reviewing the list of assets comprising the Legacy Portfolio and any Target Portfolio, analyzing projected transaction volumes and the number of Securities positions for the Transition, examining potential trading costs, including a review of using off-exchange trading networks, and effecting Securities trades and any related foreign exchange transactions;

(h) provide the IPOPIF and its Investment Consultant with such other reports and at such frequency as are reasonably agreed to between the parties;

(i) provide a final post-trade analysis report within ten (10) Business Days of completing the Transition. The Transition Manager shall use Implementation Shortfall in creating such report. The execution report must identify the Securities subject to the Transaction, the date on which the Transaction occurred, and the quantity and price of the Securities involved. The execution report shall also include a summary report of the liquidation or restructuring, including details of all cross-trades and equity market transactions executed by the Transition Manager and confirming therein that all available Securities and/or other assets were transitioned in accordance with the Transition Work Order. The Transition Manager shall also report the performance of any liquidation or restructuring, and the costs associated therewith, as determined by the Implementation Shortfall. In addition, the Execution report must also include such other items as may be mutually agreed between the parties; and

(j) assure that all Transactions for the Fund and an Account shall be in accordance with federal and state laws applicable to the Transition Manager's provision of Transition Services hereunder and shall be subject to the rules and regulations of all federal, state, and self-regulatory agencies applicable to the Transition Manager's provision of Transition Services hereunder, including, but not limited to, the various exchanges and to the constitution, rules, and customs of the exchanges or contract market (and its clearing house, if any) where executed or to which the transactions relate (collectively, the "Applicable Law or Regulations").

IPOPIF's Custodian will provide Transition Manager with: (1) a certified, trade-dated list of the assets that will be included in each Transition ("Verified Asset List"), as set forth in the Transition Work Order; and (2) a desired purchase list of securities for the Target Portfolio,

based upon the new or increased allocation of assets to the Target Portfolio (“Verified Buy List”) as set forth in the Transition Work Order.

**8. Foreign Exchange Transactions.** During any Transition, certain ancillary foreign exchange transactions on behalf of an Account may be required in connection with the purchase or sale of, or receipt of dividend or other income with respect to, Securities denominated in currencies other than United States Dollars. The Fund hereby appoints Transition Manager to act in accordance with the Transition Work Order and any Applicable Law or Regulations solely as agent for and on behalf of each Account subject to a Transition Work Order in effecting all such foreign exchange transactions through independent financial institutions selected by the Transition Manager consistent with its obligation to seek best execution. Transition Manager shall monitor and document the timing and execution of custody foreign exchange trades to repatriate foreign currency into U.S. Dollars. Transition Manager agrees that it will promptly notify the IPOPIF of any such Transaction that does not, in Transition Manager’s judgment, comply with Applicable Law or Regulations for the timing or execution quality of such Transactions. IPOPIF authorizes Transition Manager to take all necessary actions to facilitate trading, including without limitation the power to execute agreements with Counterparties.

**9. Reliance by Transition Manager.**

(a) Transition Manager shall be entitled to rely upon, as complete and correct, without independent verification, all information provided to it by the IPOPIF, the Transition Parties, the Investment Consultants, or any other third party acting on behalf of the Fund relating to the Fund or its assets.

(b) IPOPIF shall promptly notify Transition Manager in writing of any fact, circumstance, or event affecting the completeness or accuracy of any Account information.

(c) Transition Manager shall be entitled to rely on the IPOPIF to ensure that the assets in the Legacy Portfolio do not have any restrictions that will impact their transfer, sale, or disposition, and are in good deliverable form, free and clear of all liens, claims, and encumbrances during the Transition.

(d) Transition Manager shall be entitled to rely on the IPOPIF to ensure that the Custodian shall accept instructions only from an authorized representative of Transition Manager in connection with a Transition.

**10. Execution in an Agency Capacity and Trades Disclosure.**

Unless specifically agreed to otherwise, Transition Manager will act only in an agency capacity at a firm level for all Security and currency Transactions during the Transition. In other words, Transactions for the IPOPIF Account will be booked on an agency basis and any inter-company or affiliated transactions of Transition Manager will be conducted on an agency basis.

For all Transitions, Transition Manager will provide date and time stamped individual printed data received by it for all Transactions of Securities and currencies that are part of each Transition.

Transition Manager will not engage in any hedging type activities unless specifically authorized in a Transition Work Order.

Transition Manager will disclose in a Transition Manager Revenue Attestation, Exhibit A-5, all sources of revenue generated by itself and/or any of its affiliates in conjunction with the use of, or Transactions in, the Fund's assets in connection with the Transitions. These revenues could include, but are not limited to, compensation generated by Transition Manager and/or its affiliates from any Counterparty to a Fund Transaction, both in terms of the cumulative amount

(as a % of notional value) of activity crossed and the commission level generated from such Transactions.

Transition Manager shall not engage in revenue sharing agreements and shall not engage in payment for order flow agreements with affiliates and/or outside parties.

**11. Compensation.** The Transition Manager will be compensated and paid for services rendered in accordance with this Agreement in accordance with each Transition Work Order. All expenses of the Transition Manager are the responsibility of the Transition Manager.

**12. Confidentiality.**

(a) Except to the extent otherwise required by any Applicable Law or Regulation or by a direction of the Fund, or to the extent that such disclosure is reasonably required to fulfill its obligations under this Agreement, Transition Manager shall keep confidential all information obtained by it in its capacity as Transition Manager (“Confidential Information”).

(b) Transition Manager acknowledges that the provisions of the Illinois Freedom of Information Act bind IPOPIF, and that documents and records received by IPOPIF, unless exempt, may be open to public inspection.

(c) Notwithstanding (a) above, the Transition Manager may disclose such Confidential Information

(1) to any third parties (including, without limitation, Subcontractors and third-party broker-dealers) to whom the Transition Manager, in its fiduciary judgment, deems necessary or prudent for the performance of the Transition Services, and

(2) if and to the extent that such disclosure is required by applicable law, regulation, regulatory authority, or legal process, including by court order or pursuant to any request or requirement of any governmental or regulatory authority, bank examiner

or statutory auditor; provided, however, that the Transition Manager shall promptly advise IPOPIF of any such requirement (to the extent possible or permitted by law) so as to give IPOPIF an opportunity to seek a protective order or other appropriate remedy to resist or narrow the scope of such disclosure.

For the avoidance of doubt, the Transition Manager may disclose Confidential Information without notifying IPOPIF where: (i) disclosure is permitted under the terms of this Agreement or a Transition Work Order; (ii) disclosure is required for the purpose of establishing and maintaining accounts with Counterparties, and/or making, acquiring, settling or realizing an investment in accordance with the terms of this Agreement or a Transition Work Order; or (iii) the disclosure is or becomes public by no fault of the Transition Manager.

**13. Amendment.** This Agreement may be amended by written agreement of the Transition Manager and IPOPIF.

**14. Term of Agreement.** This Agreement shall commence upon execution by both parties and shall continue until terminated in accordance with Section 15.

**15. Termination of the Agreement.** Transition Manager may terminate this Agreement with thirty (30) days' written notice. The IPOPIF may terminate the authority of the Transition Manager at any time; provided that no such termination notice shall be effective for any Transition that has commenced.

**16. Anti-Terrorism; Anti-Money Laundering.** To help the government fight the funding of terrorism and money laundering activities, Applicable Law or Regulation requires all financial institutions to obtain, verify and record information that identifies each client who opens an account. This means that Transition Manager will require that the Fund and each Account subject to a Transition Work Order provide their full name, business address, tax



identification number, and such other information that will allow Transition Manager to identify the Fund and the Account. Transition Manager may also contact the Fund to provide additional identifying information, if necessary. IPOPIF hereby acknowledges, represents, warrants and agrees on a continuous basis that it has disclosed to Transition Manager if (a) it is located or registered in, or is owned or controlled by another entity located or registered in, any of the Jurisdictions (as defined below) or (b) it is engaged in significant business or trade activity in any of the Jurisdictions. For the purposes of this Letter, “Jurisdictions” include any of the following countries or regions: the Balkans, Iran, Iraq, Syria, Myanmar, North Korea, Liberia, Sudan, Belarus, Democratic Republic of Congo, Ivory Coast, Lebanon, Libya, Tunisia, Egypt, Eritrea, Republic of Guinea, Rwanda, Somalia, Uzbekistan, Cuba, Zimbabwe, and such other countries as may be determined under Applicable Law or Regulation, upon notice to IPOPIF.

**17. Indemnification.** To the fullest extent permitted under applicable law, and notwithstanding any other provision of this Agreement, Transition Manager shall indemnify and hold harmless the Fund, the Board of Trustees, and the Fund’s employees and agents, for, from, and against any losses, damages, costs, and expenses (including reasonable attorneys’ fees, judgments, fines, and amounts paid in settlement) (each, a “Loss”) incurred as the result of the Transition Manager’s breach of this Agreement or its violation of any Applicable Law or Regulation. The Transition Manager’s obligations under this provision shall survive the termination of this Agreement.

Federal and state securities laws may impose liabilities under certain circumstances on Transition Manager and nothing herein shall constitute a waiver or limitation of any right that the IPOPIF may have under any such federal or state securities laws.

**18. Right to Audit.** At the commencement of this Agreement and for a period of seven (7) years after the termination of this Agreement, Transition Manager shall retain all records relating to the Transition Services rendered under this Agreement and all Transition Work Orders and records supporting each Transaction. The IPOPIF, or the IPOPIF's designated agent, shall have the right to audit all records relating to the Transition Services rendered under this Agreement, upon reasonable advanced written notice to the Transition Manager, during regular business hours.

**19. Assignment.** No party may assign or transfer this Agreement without the other party's prior written consent.

**20. Notices.** All notices, requests, instructions, or other communications shall be in writing and will be deemed delivered if addressed or sent to the other party at the address below (or such other address provided in writing by the party), (i) on the date of actual receipt if provided by hand delivery, certified mail (return receipt requested), United States Express Mail, or overnight express service (e.g. UPS) or (ii) on the date sent if provided by email (confirmed afterwards as soon as reasonably possible by telephone call, first-class mail, or by any method specified in (i), above), and there exists tangible evidence the email was received.

**If to the IPOPIF:**

If mailed:

TBD

Attention: Chief Investment Officer

IPOPIF Email:

**If to the Transition Manager:**

If mailed:

Attention: Transition Manager Email:

**21. Severability.** If any provision of this Agreement is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions, and this Agreement shall be construed and enforced as if such provision had not been included.

**22. Entire Agreement.** This Agreement, including all Exhibits, constitutes and embodies the entire agreement and understanding of the parties with respect to the subject matter hereof, supersede any prior or contemporaneous agreements or understandings with respect to the subject matter hereof, and, unless otherwise provided herein, cannot be amended except by written agreement of the parties.

**23. Governing Law and Venue.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois, without regard to conflict of laws principles. References herein to provisions of law shall be deemed to include a reference to any amendments thereof and any successor provisions thereto. Venue for any litigation relating to this Agreement, including any tort or contractual claims arising out of or related to this Agreement, is agreed to be the Circuit Court of Peoria County, Illinois, or the U.S. District Court for the Central District of Illinois.

**24. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but together shall constitute the same document.

**25. Headings.** All titles, headings, or captions respecting the content of the sections or paragraphs of this Agreement are for convenience of reference only and shall not be construed as a part or limitation of those provisions to which they refer.

**IN WITNESS WHEREOF**, the parties have executed this Agreement to be effective  
this \_\_\_ day of \_\_\_\_\_, 2021.

[TRANSITION MANAGER]

ILLINOIS POLICE OFFICERS' PENSION  
INVESTMENT FUND

---

---

## **EXHIBIT A-TRANSITION PROCESS**

All defined terms not otherwise defined in the Agreement are set forth in Exhibit A- 1. The Transition Process is subject to the Transition Guidelines, Exhibit A-2

### **I. TRANSITION PROCESS:**

A. For each Transition, IPOPIF staff shall issue a Transition Work Request, thoroughly describing the pending Transition, to one or more approved Transition Managers (the “Bench”). A sample Transition Work Request is provided in Exhibit A-3.

B. Transition Managers on the Bench may bid on the Transition Work Request by providing: (i) a Transition work plan, (ii) a proposed Transition timeline, (iii) pre-trade analysis, (iv) disclosure report, and (v) proposed fees based on the parameters of the Transition.

C. IPOPIF shall select a Transition Manager for the Transition from the Bench. All Transition assignments shall be performed in accordance with the terms and conditions of this Agreement and shall be documented in a Transition Work Order, established between the IPOPIF and the Transition Manager in the format provided in Exhibit A-4. At a minimum, the specific tasks, deliverables, schedules, and costs for such Transition shall be detailed in the Transition Work Order that shall be signed by both parties. The terms and conditions of any Transition Work Order shall not conflict with the terms and conditions of this Agreement. In the event of any conflict, this Agreement shall control.

D. The Transition Manager shall provide daily reporting of all trade activity, via electronic means (i.e., e-mail and attachments to e-mails) from commencement of the Transition to the completion of the Transition. E. Except as agreed upon by the parties, IPOPIF shall continue to vote all proxies relating to Securities in an Account during a Transition.

### **II. PRE-TRADE AND POST-TRADE ANALYSIS COMPONENTS**

#### **A. Pre-Trade.**

In response to the IPOPIF issuing a Transition Work Request and in order for the IPOPIF to be able to select the appropriate Transition Manager(s), the Transition Manager shall provide a pre-trade analysis report describing:

a. The Transition Manager’s analysis of the expected Implementation Shortfall distribution;

b. The Transition Manager's analysis of the three (3) month historical returns for the Legacy Portfolio and Target Portfolio;

- c. The Transition Manager's factor analysis, including sector, market capitalization, estimated bid/ask analysis, and liquidity summaries for the Legacy Portfolio and Target Portfolio, including active differences breakdown;
- d. The Transition Manager's estimate of how the tracking error between the Legacy Portfolio and Target Portfolio will be reduced over the Transition Term;
- e. The Transition Manager's plan for Executing the Transition in terms of what methods of Execution it will use, and the estimated explicit and implied costs attribution to successfully Transition the Legacy Portfolio; and
- f. An estimate of the Implementation Shortfall the IPOPIF Account will incur during the term of the Transition.

#### B. Post-Trade

Upon the conclusion of a Transition, the Transition Manager shall provide a post-trade analysis report that includes:

- a. A daily performance review, subtotaled by the three (3) sub-periods as defined by the T-Standard, that compares the performance of the IPOPIF Account with the theoretical performance of the Target Portfolio during the Transition Term as defined by the T-Standard and specifically addresses the level of Implementation Shortfall experienced in the IPOPIF Account;
- b. A trading summary identifying the Execution methods utilized and how much of the Transition was Executed for each method as measured by market value;
- c. A cost analysis identifying the commissions, Execution costs, and opportunity costs for the Transition;
- d. A buy/sell detail report that identifies the dollar value, number of Securities and/or units, and commissions paid for each Execution method grouped by sell Transactions and buy Transactions;
- e. A report identifying all brokers utilized in the Transition and the dollar and share volume Executed through each broker as well as the commissions paid to each broker;
- f. A report that provides a reconciliation of the Transition Manager's pre-trade estimates for Transition Execution methods and costs to the actual results;
- g. A cost detail report that breaks down the implied trading costs into Execution costs and timing costs for each trade Executed in the Transition; and,

- h. A Transition Manager Revenue Attestation, in the form of Exhibit A- 5.

The Transition Manager will deliver a summary report as described above to the appropriate IPOPIF representative no later than ten (10) Business Days after the end of the Transition Term.

## EXHIBIT A-1

### DEFINITIONS

The following terms shall be defined in this Agreement and its Exhibits as set forth below:

- A. **“IPOPIF Account”** shall mean any portion of, or the total of, the assets to be Transitioned by the Transition Manager under this Agreement.
- B. **“IPOPIF”** shall mean the Police Officers’ Pension Investment Fund, the IPOPIF Board of Trustees and any member of the Board of Trustees, the Executive Director, and the employees and authorized representatives of IPOPIF.
- C. **“Business Day”** shall mean any day of the week other than Saturday, Sunday, or an Illinois state legal holiday.
- D. **“Contractor”** shall mean the firm, provider, organization, or other entity performing service(s) under this Agreement, and shall include all directors, officers and employees of the Contractor.
- E. **“Counterparty”** shall mean the party or party’s agent either buying Securities from or selling Securities to the IPOPIF Account or its agent.
- F. **“Custodian”** shall mean a bank under contract with IPOPIF to custody assets and any agent with which the Custodian has contracted to settle and custody IPOPIF assets.
- G. **“Execution (execute)”** shall mean the act of a broker following a Transition Manager’s Order by obtaining a Counterparty for the Transaction Ordered. Execution shall include the performance, clearance, settlement, custodial, and other functions ancillary thereto.
- H. **“Executive Director/Chief Investment Officer”** shall mean the IPOPIF designated individual with the authority to direct a Transition..
- I. **“Guidelines”** shall include IPOPIF’s policies, procedures, and other written instructions implemented under this Agreement and its Exhibits, by which the Contractor and IPOPIF shall abide with respect to transition management activities.
- J. **“Implementation Shortfall”** shall mean the arithmetical difference between the return on the IPOPIF Account and the return on the Target Portfolio over the Transition Term. Calculations shall be made in accordance with the T-Standard concepts enunciated in Phase I of the *“Performance Standards for Transition Management”* published in the Journal of Performance Management (2002-2003), which is incorporated herein by reference.



K. "**Legacy Portfolio**" shall mean the complete Verified Asset List of securities subject to the Transition, as defined in Exhibit A-2, Section 2, prior to placement in the IPOPIF Account.

L. "**Order**" shall mean the act of the Transition Manager instructing a broker to purchase or sell a Security for the IPOPIF Account as a result of IPOPIF's direction (or its Target Portfolio manager's direction, as the case may be) to purchase or sell a Security for the IPOPIF Account and giving the terms of the Transaction to the broker.

M. "**Proper Instructions**" shall mean:

1. Written instructions to the Custodian from IPOPIF authorized staff, including instructions received by facsimile and verified by signature;

2. Oral instructions to the Custodian from IPOPIF authorized staff whereby the receiver of such instructions verifies the identity of the authorized person through obtaining the authorized person's confidential code which will be promptly followed by written confirmation; however, the Custodian's following such instructions will not be subject to such written confirmation; and

3. Electronic instructions submitted in accordance with existing requirements of the Depository Trust Company or the Society for Worldwide Interbank Financial Telecommunications ("SWIFT").

N. "**Security**" shall mean any investment security or asset in an IPOPIF Account.

O. "**Subcontractor**" shall mean an entity which is performing all or part of those services under this Agreement under a separate contract with the Contractor. The terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) in any tier. The terms shall not include enterprise-wide back-office vendors, nor any broker-dealer or futures commission merchant.

P. "**Target Portfolio**" shall mean the list of investment Securities or assets to be held at the end of the Transition in the IPOPIF Account, defined as the Verified Buy List in Exhibit A-4.

Q. "**Transaction**" shall mean the purchase or sale of any Security.

R. "**Transition**" shall mean a specific Transition assigned by IPOPIF to the Contractor and described in a Transition Work Order. A Transition involves the restructuring of an existing portfolio of assets (a Legacy Portfolio) into a new portfolio of desired assets (a Target Portfolio). The Transition Manager is responsible for undertaking the Transition of the assets and for managing the investment risk associated with IPOPIF's investment direction and the Transaction costs associated with the Transition of assets from the Legacy Portfolio to the Target Portfolio.

S. **“Transition Manager”** shall mean the Contractor selected by IPOPIF, in response to a Transition Work Request, and the Contractor’s directors, officers, and employees.

T. **“Transition Party”** shall mean the Custodian and the Legacy Portfolio and Target Portfolio managers.

U. **“Transition Term”** shall mean the performance measurement period for each Transition as identified in the Transition Work Order.

V. **“Transition Work Request”** (substantially in the form of Exhibit A-2) shall mean a document issued by IPOPIF to Transition Managers on the Bench to request a proposal and bid for services to complete a specific Transition.

W. **“Transition Work Order”** shall mean a document (substantially in the form of Exhibit A-4) that shall be executed between IPOPIF and the Contractor as a Transition Manager each time a Transition is assigned to the Contractor. The Transition Work Order shall describe each Transition and specify the performance objectives and compensation arrangements that shall apply to each Transition.

**EXHIBIT A-2**

**TRANSITION GUIDELINES**

**Effective July 2021**

**1. Disclosure of Information and Fiduciary Responsibility.** The Transition Manager, as a fiduciary, shall maintain confidentiality of assets within the Legacy Portfolio and Target Portfolio, so as to promote best execution of the Transition Transactions and avoid "front running" in the marketplace. The Transition Manager is prohibited from utilizing the information provided for purposes other than the Transition on behalf of IPOPIF. Information leakage, disclosure, or distribution of such information will be deemed a violation of the fiduciary duties of the Transition Manager. For the avoidance of doubt, it shall not be a breach of confidentiality to distribute information that (i) the Transition Manager can definitively demonstrate was already in its possession prior to the disclosure of such information pursuant hereto; (ii) is obtained by any employee of the Transition Manager from a third person, who, insofar as the Transition Manager reasonably believes, is not prohibited from transmitting the information to the Transition Manager by a contractual, legal or fiduciary obligation to IPOPIF; (iii) is or becomes publicly available through no fault of the Transition Manager; or, (iv) the Transition Manager is required to disclose by law or regulatory agency. Notwithstanding the above, the Transition Manager may disclose such information to its affiliates and third party brokers or dealers in connection with Execution of the Transition on behalf of IPOPIF as may be necessary to allow the Transition Manager to perform the Transition.

**2. Required Information.** Upon acceptance of the Transition Work Order, the IPOPIF will provide the Transition Manager a list of the appropriate contact persons and persons with authority to deal in the Transition assets at each Transition Party and a statement of investment objectives, policies, and restrictions, together with the specific investment management functions required for the Transition (the "Investment Objectives") as agreed upon between the Transition Manager and IPOPIF. For each Transition, IPOPIF will instruct each Transition Party to comply with any instructions given by or on behalf of the Transition Manager.

Without limiting the generality of the foregoing, IPOPIF will cause the Custodian to deliver to the Transition Manager a true and correct list of the Transition assets, which list may be delivered electronically at Transition Manager's request (the "Verified Asset List"). The Verified Asset List must be signed (if in writing) or otherwise authenticated to the satisfaction of the Transition Manager. If the Transition Manager so requests, IPOPIF shall also cause the Custodian to open a separate Custodial Account to serve as the IPOPIF Account to hold the Transition assets during the Transition. IPOPIF will also cause the Custodian to provide updates to the Verified Asset List of Transition assets during the Transition at least daily, or more frequently as the Transition Manager may reasonably request.

IPOPIF further agrees to cause the Target Manager(s) to provide the Transition Manager with a list of the investments to be held in the Target Portfolio at the end of the Transition (or their respective portions of the Target Portfolio, as the case may be) (the “Verified Buy List”), which Verified Buy List may be delivered electronically at Transition Manager’s request. The Verified Buy List must be signed (if in writing) or otherwise authenticated to the satisfaction of the Transition Manager. IPOPIF agrees to cause the Target Manager(s) to promptly inform the Transition Manager in writing or other form acceptable to the Transition Manager of any changes to the Target Portfolio requested or required by the Target Manager(s) during the Transition.

IPOPIF acknowledges that the Transition Parties are not agents of the Transition Manager, that the Transition Manager may reasonably rely upon the accuracy of information provided to it by any Transition Party, and that the Transition Manager will not be liable or responsible for any act or omission of a Transition Party unless such act or omission is directly caused by the Transition Manager’s own violation of law, negligence, willful misconduct, or material breach of this Agreement. “Information” includes, without limitation, IPOPIF’s list of Transition Parties, the Verified Asset List, the Verified Buy List and any supplement, amendment, or modification to any of the foregoing that is provided to the Transition Manager by or on behalf of IPOPIF or a Transition Party.

**3. Conduct of Transition.** For each Transition, the Transition Manager is authorized to manage the assets in the IPOPIF Account on the delegated authority of IPOPIF. The Transition Manager is authorized to purchase, sell, or otherwise transfer Securities held in the IPOPIF Account for the purpose of reallocating the Transition assets from the Legacy Portfolio to the Target Portfolio managers. Other than for investment or reinvestment purposes, withdrawal of funds from the IPOPIF Account shall be restricted only to transfers to the IPOPIF Account with the Custodian. The Transition Manager will seek to achieve the desired asset class exposure of the Target Portfolio and is authorized to (i) effect Transactions in the IPOPIF Account and, (ii) where applicable by investing in financial futures contracts in a manner consistent with the Transition Work Order and with Exhibit A and the objectives developed for the Transition.

**4. Changes to Target Portfolio.** For each Transition, changes to the Target Portfolio shall be effective only upon the Transition Manager’s receipt of an amendment in writing, or in such other form as acceptable, to the Transition Work Order. The Transition Manager is not liable for any properly performed act or omission conducted in reasonable reliance on the allocation list.

**5. Transaction Procedures.** All Transactions will be consummated by payment or delivery to the Custodian or to such depositories or agents as may be designated by the Custodian, of all cash and/or Securities due to or from the IPOPIF Account. Other than for investment or reinvestment as provided herein, transfers from the IPOPIF Account shall be made

solely at the direction of the IPOPIF. The Transition Manager shall confirm in writing to the Custodian when such Orders have been placed. The Transition Manager shall have no responsibility or liability with respect to Custodial arrangements relating to the IPOPIF Account or the acts, omissions, or other conduct of the Custodian or its agents, representatives, designees, successors or assigns. In dealing with the IPOPIF, the Transition Manager shall be authorized to receive, and shall act solely upon, instructions from the persons designated by the IPOPIF.

**6. Brokerage.** The Transition Manager has authority to establish the IPOPIF Accounts with brokers affiliated with the Transition Manager, upon advance disclosure of such relationships to the IPOPIF and the IPOPIF's prior consent thereto. It may effect transactions on behalf of the IPOPIF Account through such affiliated brokers, but in doing so the Transition Manager must use its best efforts, consistent with its fiduciary duty, to obtain the most favorable net price and best execution available.

Affiliated Brokerage Services (If Applicable): In performing its obligations under this Agreement, the Transition Manager may effect the IPOPIF Account trades through Transition Manager and through other brokers selected by the Transition Manager. Brokers effecting Transactions in the IPOPIF Account, including Transition Manager, will receive ordinary and customary brokerage fees, which will be charged against the Transition assets.

From time to time, Transition Manager may effect systematic “re-balancing” of certain index or model-driven client Transition accounts or collective funds for which it acts as an investment adviser (“Transition Manager Passive Accounts”), which may identify opportunities for such Transition Manager Passive Accounts either to buy Securities from, or sell Securities to, the IPOPIF Account (each purchase and sale Transaction between the IPOPIF Account and a Transition Manager Passive Account shall be referred to herein as a "Cross-Trade"). Transition Manager performs Cross-Trades in this manner pursuant to the terms of Prohibited Transaction Class Exemption 2002-12 (“PTCE 2002-12”) under the Employee Retirement Income Security Act of 1974 (“ERISA”).

In the ordinary course, Transition Manager runs its Cross-Trading computer model prior to effecting open market equity Transactions. Upon the running of such model, an opportunity to engage in a Cross-Trade may arise when an order to buy a security for a Transition Manager Passive Account matches a corresponding order to sell the same Security which is contained on the Verified Asset List or when an order to sell a Security from a Transition Manager Passive Account matches a corresponding order to buy the same Security for the IPOPIF Account as contained in the Verified Buy List, based upon the portfolio composition that IPOPIF has directed Transition Manager to construct. Each Cross-Trade will be effected at the closing market price for that Security on the day of the Cross-Trade, determined through pricing services independent of Transition Manager. There will be no Transaction fees associated with the Cross-Trades other than any applicable custodian transfer charges.

In accordance with the terms of PTCE 2002-12, IPOPIF hereby acknowledges receipt of a copy of Transition Manager's Policies for Internal Cross-Trading and a copy of PTCE 2002-12 and hereby authorizes any Cross-Trades between the IPOPIF Account and any Transition Manager Passive Account that may arise in the context of the portfolio restructuring program described herein, in accordance with the terms of such policies and PTCE 2002-12. IPOPIF may terminate such authorization to perform Cross-Trades at any time by sending Transition Manager a termination form.

**7. Standard of Performance.** The Transition Manager agrees to manage and invest the Transition assets according to the instructions provided by the IPOPIF or the Target Manager and as provided for under the Agreement and the Exhibits to the Agreement and the agreed upon terms for each Transition. The Transition Manager shall discharge its duties consistent with the Agreement and with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The rights, power, and authority, and the duties and responsibilities of the Transition Manager with respect to the IPOPIF Account, shall be solely and exclusively as provided in the Agreement and all Exhibits.

**8. Service to Other Clients.** It is understood and acknowledged by the IPOPIF that the Transition Manager performs investment advisory services for other clients. IPOPIF recognizes that the Transition Manager may give advice and take action with respect to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the IPOPIF Account. The Transition Manager expressly undertakes to make known to the IPOPIF any instances of suspicious activity it becomes aware of which may constitute "front running" on behalf of such broker-dealers and to take all necessary action to preserve capital to the maximum extent possible, protect the confidentiality of IPOPIF's Transition activity and prevent related information leakage to the marketplace.

**9. Instructions.** The Transition Manager shall provide Proper Instructions to the Custodian regarding the terms of each and every Transaction Ordered. Such "Proper Instructions" shall be in accordance with the required policies and practices of the Custodian and shall include, without limitation, the following terms: the Counterparty, the Counterparty's agent for settlement, the identification number of the Security, the series of the Security, the issuer of the Security, the amount of the Security, the settlement amount of the Security in local currency and U.S. dollars, and the date on which the Security Transaction is to settle.

**10. Notice of Failed Securities Settlement.** Upon the Transition Manager's receipt of the notice of a failed Security settlement, the Transition Manager shall, in conjunction with the Custodian, take prompt action to notify the Target Manager and follow its instructions if possible. The Transition Manager shall communicate on a daily basis with the Custodian to resolve all existing failed settlements.

**11. Notification.** The Transition Manager shall promptly notify the IPOPIF authorized staff by telephone, upon the receipt of information indicating possible risks of seizure, loss, or loss of use. Such telephonic notice shall be followed by written notice to IPOPIF within twenty-four (24) hours.

**12. Accuracy Verification.** The Transition Manager shall not be responsible for verifying the accuracy of the IPOPIF Account statement prepared by the Custodian, including holdings, pricing, income received and receivable, and any other Transaction relevant to the portfolio as required by IPOPIF, except that the Transition Manager shall assist the Custodian in verifying the accuracy of the IPOPIF Account statement regarding holdings. The Transition Manager shall provide a reconciliation statement to the Custodian describing any exceptions within four (4) Business Days following the end of each month. The holdings in the IPOPIF Account will be priced by the Custodian and such prices will be used to measure performance of the IPOPIF Account. The Transition Manager agrees to accept the prices established by the Custodian. The Transition Manager may appeal to IPOPIF if the Transition Manager and Custodian cannot arrive at mutually agreeable pricing on a particular Security. In the event the Custodian is unable to obtain a price for a particular Security, the Custodian will request a price from the Transition Manager, which price shall be promptly provided.

**13. Filings.** The Transition Manager will make all required filings applicable to the Transition Manager with all applicable regulatory agencies within all prescribed deadlines applicable to all of its activities undertaken on behalf of IPOPIF.w

**14. Evaluation.** The Transition Manager's performance objective is to minimize the amount of Implementation Shortfall at all times during the Transition Term and to preserve capital:

(i) IPOPIF will evaluate the Transition Manager's performance for each Transition based on the measurement of the actual Implementation Shortfall for the Transition versus the amount of Implementation Shortfall the Transition Manager estimated for the Transition in its pre-trade analysis;

(ii) the Transition Manager and IPOPIF may agree to use a different method for measuring performance for special types of Transitions, provided that the alternative measurement method is described in writing and agreed to in writing prior to the start of any Transition; and

(iii) time-weighted rates of return shall be used in all calculations of Implementation Shortfall.

The Transition Manager agrees to provide reports attesting to best execution of all trades made in conjunction with the Transition, as well as any other analytical reports detailing its trading performance. Upon request, the Transition Manager also will provide an in-person or

virtual presentation to IPOPIF explaining in detail all events where performance fell outside of one-standard deviation from the pre-trade estimate. Such explanation will describe market movement over the Transition Term and provide full cost attribution.



**EXHIBIT A-3**  
**TRANSITION WORK REQUEST**

**Dated: XXXXXX**

**Organization:**            **Illinois Police Officers' Pension Investment Fund**

**Transition Manager:**        \_\_\_\_\_

**Issued date:**                \_\_\_\_\_

**Investment Objective:**

**Benchmark –**            Legacy Portfolio -    XXXX  
                                 Target Portfolios -    XXXX

1.        Present a proposed work plan on how best to Transition specified Account Assets. This plan should include a proposed timeline for the entire Transition Term. The Transition Term begins when the Account Assets are moved from the Legacy Portfolio(s) and ends when the Account Assets are moved into the Target Portfolio(s).

2.        Provide a pre-trade analysis report as described in Exhibit A of the Agreement. The pre-trade analysis report should provide an estimate of all costs that are applicable such as: explicit costs (i.e., commissions, custody, taxes, duties, foreign exchange); implicit costs (i.e., market impact, opportunity costs, bid/ask spread); and Implementation Shortfall estimate. This estimate of costs should relate to the implementation period and will be the basis for awarding the Transition Work Order. All commissions and fees proposed by the Transition Manager must be included in the pre-trade estimate. The Implementation Shortfall estimate should cover the entire Transition Term.

3.        In accordance with Exhibit A, during the Transition, provide daily reporting of all trade activity from the beginning of the implementation period until completion and full funding of the Target Portfolios.

4. In accordance with Exhibit A, provide a post-trade analysis report and Transition Manager Revenue Attestation as required by Exhibit A-5. Provide an explanation in detail where performance falls outside of one-standard deviation from the pre-trade estimate. Such explanation should describe market movement over the Transition Term and provide full cost attribution.

5. Any changes to this Exhibit or an agreed upon Transition Work Order resulting therefrom shall be made by written amendment executed by both parties acknowledging acceptance of the changes.

**Legacy Portfolio Mandates:**

Account Number	Manager Name	Account Type	Benchmark Index	Style	Approx. Market Value	%	Expected Termination Date
	Legacy Manager 1						
	<b>TOTAL</b>				<b>\$XXXXXXXXX</b>	<b>100%</b>	
					<b>X</b>		

**Target Portfolio Mandates:**

Account Number	Manager Name	Account Type	Benchmark Index	Style	Approx. Market Value	%	Expected Start Date
	Manager 1						
	<b>TOTAL</b>				<b>\$XXXXXXXXX</b>	<b>100%</b>	
					<b>X</b>		

**EXHIBIT A-4**

**TRANSITION WORK ORDER**

**Dated: XXXXXX**

**Organization:**            **Illinois Police Officers' Pension Investment Fund**

**Transition Manager:**            \_\_\_\_\_

**Work Request Dated:**            \_\_\_\_\_

IPOPIF hereby instructs Transition Manager to Transition such assets from the Legacy Portfolio(s) detailed below to the Target Portfolio(s) detailed below beginning on \_\_\_\_\_ (trade date).

Transition Manager will comply with all requirements listed in the Work Order Request and, to the extent applicable, comply with the transition management services required for this Transition pursuant to the Transition Management Agreement.

IPOPIF has instructed the Target Manager(s) to provide Transition Manager with the Verified Buy List(s) based on their approximate funding amounts. Transition Manager may contact the Target Manager(s) contact(s) to coordinate receipt of the Verified Buy List(s). Transition Manager is hereby instructed to transfer Securities in-kind from the Legacy Portfolio(s) to the Target Portfolio(s) to the extent possible, liquidate the remainder of the assets, and to purchase the residual Securities on the Verified Buy List. In accordance with the Transition Management Agreement, you may utilize available crossing networks prior to Executing trades on the open market.

In accordance with the exemption contained in section 408(b)(19) of ERISA (i) IPOPIF has authorized Transition Manager, by separate letter, to engage in internal cross trades with funds and/or accounts maintained, trustee and/or advised by Transition Manager or its affiliates in accordance with section 408(b)(19) of ERISA; (ii) IPOPIF has assets in excess of \$100 million; and (iii) it has received a copy of the 408(b)(19) Crossing Disclosure, by separate document, regarding the conditions under which cross trades pursuant to section 408(b)(19) of ERISA may take place, including Transition Manager's written policies and procedures regarding such cross trades. IPOPIF acknowledges that, as provided in the Agreement,

Transition Manager may also engage in internal cross trades pursuant to PTCE 2002-12, if applicable.

**Legacy Portfolio Mandates:**

Account Number	Manager Name	Account Type	Benchmark Index	Style	Approx. Market Value	%	Expected Termination Date
	Legacy Manager 1				\$		
	<b>TOTAL</b>				<b>\$</b>	<b>100%</b>	

**Target Portfolio Mandates:**

Account Number	Manager Name	Account Type	Benchmark Index	Style	Approx. Market Value	%	Expected Start Date
	Target Manager 1				\$		
	Target Manager 2				\$		
	<b>TOTAL</b>				<b>\$</b>	<b>100%</b>	

[Choose one of the following items as it pertains to futures.]

- The use of futures is not applicable to this Transition.
- The use of futures is applicable to this Transition pursuant to the Transition Management Agreement. Transition Manager will utilize futures to equitize or hedge the portfolio during the Transition so as to mimic the investment performance of the [insert appropriate benchmark index, e.g., Bloomberg Barclays Aggregate Bond index, S&P 500 index, Russell 1000/2000/3000 index, MSCI EAFE index] as closely as possible. The assets will be equitized/hedged at the [open or close] of trading on trade date. Cash collateral of [insert \$ amount] will be transferred into the IPOPIF Account no later than trade date. Upon the completion of the transition, cash collateral and marks should be transferred to [insert account number].

IPOPIF has instructed its Custodian, \_\_\_\_\_, to provide Transition Manager with a Verified Asset List. Your contact at the Custodian is \_\_\_\_\_.

The valuation date for the manager distribution amount will be \_\_\_\_\_. Transition Manager is not responsible to instruct on the distribution of assets and cash and is to coordinate the distribution details with IPOPIF.

Residual cash and dividend income not associated with new manager assets should be transferred to \_\_\_\_\_ [Account Name & Number].

A Transition Work Order Example Form is attached as Exhibit A- 4, Attachment 1.

ILLINOIS POLICE OFFICERS' PENSION  
INVESTMENT FUND

TRANSITION MANAGER

\_\_\_\_\_  
By: Richard White, Executive Director

\_\_\_\_\_  
By:

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
By: Kent Custer, Chief Investment Officer

Date: \_\_\_\_\_

\_\_\_\_\_

**EXHIBIT A-5**

**TRANSITION MANAGER REVENUE ATTESTATION**

**Dated: XXXXXX**

In accordance with the Transition Management Agreement, Transition Manager provides the following Revenue Attestation relating to the Transition under each Transition Work Order(s) dated \_\_\_\_\_:

The Transition Manager represents and warrants, by the certification below, that all sources of revenue generated by itself and/or any of its affiliates in conjunction with the use of, or Transactions in, the assets of the IPOPIF Account are as disclosed below, including but not limited to:

- Commissions generated by Transition Manager and/or its affiliates from the Counterparties of the IPOPIF Account transactions, both in terms of cumulative amount (as a % of notional value) of the activity crossed internally and the commission level generated from such Transactions;
- Any realized profit or loss at the culmination of the Transition to Transition Manager and/or its affiliates as a result of the Securities and/or currency Transactions affected in a principal capacity;
- Any unrealized profit and/or loss to Transition Manager and/or its affiliates as a result of the Securities and/or currency Transactions affected in a principal capacity. The mark to market for these open positions shall be as of the close of the day of the last Transaction of the Transition;
- Any potential revenue sharing agreements and/or payments for order flow agreements with affiliates and/or outside parties.

The sources of revenue generated, as defined above, include the following:

Certified as to correctness and completeness:

\_\_\_\_\_, Transition Manager

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**

**BROKERAGE REQUIREMENTS**

The Board of Trustees is firmly committed to increasing diversity in the Fund's use of MWDBE vendors to the Fund. IPOPIF strongly encourages the Transition Manager to use every effort to maximize the use of MWDBE firms to provide any services required by this Agreement. The Fund's Diversity Policy is available at:

## EXHIBIT C

### TRANSITION MANAGER DISCLOSURES

**Section A** – Required by Section 1-113.14(c)(3) of the Illinois Pension Code.

Full disclosure of direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of the Transition Manager in connection with the provision of services to the Fund.

**Section B** – Required by Section 1-113.14(c)(5) of the Illinois Pension Code.

1. The name and address of the Transition Manager:
2. The name and addresses of any entity that is a parent of, or owns a controlling interest in, directly or indirectly, the Transition Manager:
3. The name and addresses of any entity that is a subsidiary of, or in which a controlling interest controlling interest is owned by, directly or indirectly, the Transition Manager:
4. The name and addresses of any persons who have an ownership or distributive income share in the Transition Manager that is in excess of 7.5%:
5. The name and addresses of any persons who serve as an executive officer of the Transition Manager:

**Section C** – Required by Section 1-113.14(c)(6) of the Illinois Pension Code.

Disclosure of the names and addresses of all subcontractors, if applicable, and the expected amount of money each will receive under this Agreement. The Transition Manager further acknowledges that it shall promptly notify the Fund, in writing, if at any time during the term of this Agreement, the Transition Manager adds or changes fees any subcontractors. For purposes of this section, "subcontractor" does not include non-investment related professionals or professionals offering services that are not directly related to the investment of assets, such as legal counsel, actuary, proxy voting services and services used to track compliance with legal standards:

**Section D** – Required by Section 1-113.21 of the Illinois Pension Code.

Disclosure of:

1. The percentage of its investment and senior staff who are (i) a minority person; (ii) a woman, and (iii) a person with a disability; and investment services, consulting services; and



2. The number of contracts, oral or written, for professional and artistic services that the investment advisor, consultant, or private market fund has with (i) a minority-owned business, (ii) a women-owned business, or (iii) a business owned by a person with a disability; and

3. The number of contracts, oral or written, for investment services, consulting services, and professional and artistic services the investment advisor, consultant, or private market fund has with a business other than (i) a minority-owned business, (ii) a women-owned business or (iii) a business owned by a person with a disability, if more than 50% of services performed pursuant to the contract are performed by (i) a minority person, (ii) a woman, and (iii) a person with a disability.

**EXHIBIT D**  
**ETHICS POLICY**

The Fund's Ethics Policy is available at:

**EXHIBIT E**

**PROHIBITED TRANSACTION CLASS EXEMPTIONS 86-128 AND 2002-12**

The PTCE Exemptions are available at:

<https://www.govinfo.gov/content/pkg/FR-1986-11-18/pdf/FR-1986-11-18.pdf#page=102>

<https://www.govinfo.gov/content/pkg/FR-2002-10-17/pdf/02-26424.pdf>

<https://www.govinfo.gov/content/pkg/FR-2002-02-12/pdf/02-3341.pdf>

**EXHIBIT F**

**ELECTION TO TERMINATE AGENCY TRANSACTION AUTHORIZATION**

**[Insert Date]**

Dear \_\_\_\_\_:

The undersigned (the “Plan”) has entered into a Transition Agreement dated as of [Insert Date] and a Transition Work Order dated as of [Insert Date] (together, the “Transition Agreement”) with [INSERT NAME] which Transition Agreement, among other things, authorizes [INSERT NAME] affiliates to effect certain transactions through agency transactions and agency cross transactions.

By execution and delivery of this Election to Terminate Agency Transaction Authorization, the Plan hereby expressly terminates the Transition Agreement by signing, dating and returning the enclosed copy hereof to the undersigned at the address indicated below.

ILLINOIS POLICE OFFICERS’ PENSION  
INVESTMENT FUND

By: \_\_\_\_\_

Name:

Title:

**Instructions for use of this Form:** The authorization contained in the Transition Agreement is terminable by the Plan at will, without penalty to the Plan, upon receipt by [INSERT NAME] of this Election to Terminate Agency Execution Authorization from the Plan.