

## Investment Certification

To: Respondent (as such term is defined on the signature page hereto)

From: Policemen's Annuity and Benefit Fund of Chicago ("PABF")

Subject: Policemen's Annuity and Benefit Fund of Chicago  
Legal Requirements for Investments

Detailed below in this Investment Certification (this "Certification") are specific legal requirements of PABF with respect to PABF's investments and respondents to the RFP (as such term is defined below). **No fund will be retained by the Fund without memorializing the Firm/General Partner's acceptance of these conditions in either an executed Investment Management Agreement ("IMA") or a Side Letter.**

*Please review and acknowledge on the signature page hereto that these provisions are acceptable without amendment.*

1. Compliance with Request for Proposal ("RFP") and RFP Response. Respondent represents, warrants and covenants that to its actual knowledge (a) it has complied with all of the requirements set forth in that certain PABF RFP to which this Certification is attached (the "RFP"), and (b) the terms, conditions, disclosures and statements set forth in the written RFP response, materials and presentations provided to PABF (the "Declarations") are true and complete and do not contain any misstatement of a material fact or omit to state a fact necessary to make the statements contained therein not misleading, in light of the circumstances under which such statements were made. The Declarations are hereby incorporated by reference into this Certification.
2. Confidentiality. Respondent agrees that PABF is subject to the Illinois Freedom of Information Act (5 ILCS 140) ("FOIA"). Neither Respondent nor any of its affiliates shall make any claim against PABF if PABF, in good faith, makes available to the public any report, notice or other information PABF receives from Respondent or any of its affiliates that PABF reasonably believes is required to be disclosed by FOIA. If (a) PABF advises Respondent that PABF is reasonably likely to be required, or clearly is required, to disclose information provided to PABF by Respondent regarding PABF's investment, or (b) Respondent withholds information from PABF, Respondent agrees to cooperate with PABF to reach an alternative arrangement whereby PABF is given access to such information as it deems reasonably necessary to fulfill the statutory and fiduciary duties owed to its members and beneficiaries while protecting the confidentiality of such information.
3. Compliance with all applicable Illinois Pension Code Requirements.
  - 3.1 *Fiduciary Duties.* The General Partner ("GP") confirms that the Management Company (fund) is registered with the U.S. Securities and Exchange Commission as an "investment adviser" pursuant to the Advisers Act of 1940. In consideration of the PABF's status as a pension plan of the State of Illinois that is subject to the Illinois

Pension Code (40 ILCS 5/1 et seq.), the General Partner acknowledges that is a fiduciary with respect to the PABF to the extent and for so long as required under the Illinois Pension Code. The General Partner acknowledges, represents, warrants and covenants that, pursuant to the Illinois Pension Code, including but not limited to, 40 ILCS 5/1-113.14(c), and/or PABF's Investment Policy as set forth on PABF's website (the "Investment Policy"), as such, Respondent shall:

- Discharge its duties with care, skill, prudence, and diligence.
- Diversify investments in order to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
- Act in strict compliance with all applicable provisions of the Illinois Pension Code, the PABF Investment Policy, and any other written directives of the PABF Board of Trustees.

3.2 *Conflict of Interest and Prohibited Transactions.* Respondent will comply with 40 ILCS 5/1-110 and shall not:

- Engage in any transaction involving PABF assets that constitutes self-dealing, or that involves a party in interest on terms less favorable to PABF than would be offered in an arm's-length transaction.
- Receive, directly or indirectly, any personal compensation or benefit from any party dealing with PABF in connection with transactions involving PABF assets, except for reasonable compensation for services rendered as permitted by law.
- Undertake any transaction giving rise to a prohibited conflict without prior written notice to and written consent from PABF.

3.3 *Reporting Transparency.*

- Respondent has disclosed to PABF all direct and indirect fees, commissions, penalties, and other compensation, including reimbursement for expenses, that may be paid by or on behalf of Respondent or any of its affiliates in connection with the provision of services to PABF (and Respondent will update the disclosure promptly after a modification of those payments or an additional payment);
- Respondent has disclosed to PABF the names and addresses of (a) Respondent; (b) any entity that is a parent of, or owns a controlling interest in, Respondent; (c) any entity that is a subsidiary of, or in which a controlling interest is owned by, Respondent; (d) any persons who have an ownership or distributive income share in Respondent that is in excess of 7.5%; or (e) serves as an executive officer of Respondent;
- Respondent has disclosed to PABF the names and addresses of all subcontractors, if applicable, and the expected amount of money each will receive under the contract, including an acknowledgment that the contractor must promptly make notification, in writing, if at any time during the term of the PABF's investment a contractor adds or changes any subcontractors. For purposes hereof, "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,

services used to track compliance with legal standards, and investment fund of funds where PABF has no direct contractual relationship with the investment advisers or partnerships;

- 3.4 The RFP contains a description of the investment services to be performed by Respondent;
- 3.5 The RFP contains a description of the qualifications necessary for the investment services thereunder and PABF's need therefor; and
- 3.6 The dissolution and termination of the investment vehicles that PABF has invested in, and the final distribution of the assets thereof, will be (a) made in accordance with the terms set forth in the applicable investment agreements and (b) reflected in the final audited report for such vehicles.
4. Representations and Warranties. Respondent acknowledges that PABF and PABF's Board of Trustees are subject to the Illinois State Officials and Employees Ethics Act, 5 ILCS 430. Respondent further acknowledges and agrees that (a) PABF has adopted an Ethics Policy, which is available on PABF's website, (b) Respondent is subject to and shall comply with the Ethics Policy, and (c) in accordance with the Ethics Policy, any contract that is negotiated, entered into, or performed in violation of any of the provisions of the Ethics Policy shall be voidable as to PABF. Respondent agrees to complete and provide to PABF upon PABF's reasonable request a completed Ethics Certification in the form provided by PABF.
5. Governing Law; Consent to Jurisdiction. This Certification shall be governed by the laws of the State of Illinois without regard to principles of conflicts of law. In the event of any legal action or lawsuit involving Respondent or any of its affiliates, on the one hand, and PABF, on the other hand arising under this Certification, the venue and jurisdiction shall be only in the Circuit Court of Cook County, Illinois, or the U.S. District Court for the Northern District of Illinois, Eastern Division. Respondent and its affiliates irrevocably submit to the jurisdiction of each such court and waive any claim or defense of inconvenient forum in respect of any such action or proceeding.

**We acknowledge and agree that provisions substantially in the form set forth in this Certification will be set forth in any final written investment agreement to which Respondent and PABF are a party.**

**CERTIFIED AND ACKNOWLEDGED BY:**

\_\_\_\_\_  
(print entity name)

By: \_\_\_\_\_  
(print name)

Its: \_\_\_\_\_  
(print title)

\_\_\_\_\_  
(signature)

Date: \_\_\_\_\_  
(insert date)