

**MASSACHUSETTS PORT AUTHORITY EMPLOYEES'
RETIREMENT SYSTEM**

REQUEST FOR PROPOSALS

**ACTIVE INTERNATIONAL EQUITY (MSCI ACWI ex. US)
INVESTMENT MANAGEMENT**

The Massachusetts Port Authority Employees' Retirement System ("MPAERS" or "the Board") is requesting proposals from interested firms for active international equity management. The MPAERS is seeking to identify a manager(s) to manage all or a portion of approximately \$160 million international equity mandate benchmarked to the MSCI ACWI ex-US index, for a term of up to seven (7) years. Proposals should meet all the minimum requirements stated in Part I of this Request for Proposal ("RFP") which outlines the Manager minimum qualifications and requirements for consideration.

No direct or telephone contact with MPAERS employees or Board members or Wilshire employees is permitted during the RFP process. Any requests for clarification should be e-mailed to Stephen DiGirolamo at sdigirolamo@wilshire.com.

Please forward your response to:

Electronic Copy
Irene E. Moran
Director of Retirement
Massachusetts Port Authority
Employees' Retirement System
imoran@massport.com

Electronic Copy
Stephen DiGirolamo, CFA, CAIA
Samie Al-Rakaf
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ELECTRONIC RESPONSES ARE

DUE BY:

4:00 p.m. Boston time on April 2, 2025

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I. Mandate Specifications and Manager Minimum Qualifications

Mandate Specifications

- Approximately \$160 million account (may be split between no more than two managers)
- Actively managed against the MSCI ACWI (ex-US) index
- Commingled funds, mutual funds and separate accounts will be considered for this mandate
- Account to be managed for a term of up to seven (7) years

Manager Minimum Qualifications and Requirements for Consideration

Proposer must meet the following minimum requirements for the procurement process; otherwise the proposal will be rejected from consideration.

- \$20 billion minimum in total firm assets (waived for proposers that are recognized as a Minority Owned, Women Owned, or Veteran Owned Business Enterprise (MBE/WBE/VBE))
- \$3 billion minimum assets in total MSCI ACWI ex-US Index product assets
- Minimum of 5 years performance track record as of 12/31/2024
- The Manager must have the ability to act as a fiduciary to the MPAERS
- The Manager must be registered with the Securities & Exchange Commission pursuant to the Investment Advisors Act of 1940, as amended, and the registration must be current
- The Manager should not be in violation of any current SEC rules or any other regulatory body

By responding to this RFP, the proposer agrees to certain statutorily required contractual terms and conditions related to any engagement, as set forth in Chapter 32, Section 23B (k)(1), which are incorporated herein by reference:

In the event of a competitive process to select an investment service provider, the request for proposals shall include mandatory contractual terms and conditions to be incorporated into the contract including provisions:

- (a) stating that the contractor is a fiduciary with respect to the funds which the contractor invests on behalf of the retirement board;
- (b) stating that the contractor shall not be indemnified by the retirement board;
- (c) requiring the contractor to annually inform the Massachusetts Public Employee Retirement Administration Commission ("PERAC" or "Commission") and the retirement board of any

arrangements, oral or in writing, for compensation or other benefit received or expected to be received by the contractor or a related person from others in connection with the contractor's services to the retirement board or any other client;

(d) requiring the contractor to annually disclose to the commission and the retirement board compensation, in whatever form, paid or expected to be paid, directly or indirectly, by the contractor or a related person to others in relation to the contractor's services to the retirement board or any other client; and (e) requiring the contractor to annually disclose to the commission and the retirement board in writing any conflict of interest the contractor may have that could reasonably be expected to impair the contractor's ability to render unbiased and objective services to the retirement board. Other mandatory contractual terms and conditions shall address investment objectives, brokerage practices, proxy voting and tender offer exercise procedures, terms of employment and termination provisions.

Additionally, PERAC's Placement Agent Policy requires investment managers to agree to the following terms:

Each contract and amendment to an existing contract as of January 1, 2016 shall secure the agreement of the manager in the final written agreement between the Board and the manager to provide the Board with the following remedies in the event the manager knew or should have known of any material inaccuracy or omission in the placement agent information disclosure or any other violation of this policy:

- (a) whichever is greater, the reimbursement of any management or advisory fees paid by the Board for the prior two years or an amount equal to the amounts paid or promised to be paid to the placement agent as a result of the board's investment;
- (b) the authority to immediately terminate the investment management contract or other agreement with the manager without penalty, to withdraw without penalty from a limited partnership, limited liability company or other investment vehicle, or to cease making further capital contributions (and paying any fees on these recalled commitments) to the limited partnership, limited liability company or other investment vehicle without penalty; and,
- (c) provisions requiring the manager to annually inform PERAC and the Board of any arrangements, oral or in writing, for compensation or other benefit received or expected to be received by the manager or a related person from others in connection with the managers' services to the Board or any other client, provisions requiring the manager to annually disclose to PERAC and the Board any compensation, in whatever form, paid or expected to be paid, directly or indirectly, by the manager or a related person to others in relation to the managers' services to the Board or any other client, and provisions requiring the manager to annually disclose to PERAC and the Board in writing any conflict of interest the manager may have that could reasonably be expected to impair the manager's ability to render unbiased and objective services to the Board.

Each contract and amendment to an existing contract as of January 1, 2016 shall secure the agreement of the manager in the final written agreement between the Board and the manager that the manager shall be solely responsible for, and the Board shall not pay (directly or indirectly), any fees, compensation or expenses for any placement agent used by the manager.

PROPOSERS ARE ALSO REQUIRED TO COMPLETE THE FIVE (5) PERAC FORMS REFERRED TO IN THE HYPERLINKS OF SECTION III OF THIS RFP.

II. Search Timeline and Evaluation Criteria

March 5, 2025	RFPs available to candidate firms
March 14, 2025	Question Deadline
April 2, 2025	RFP responses due by 4:00pm EST
July 2025	Final selection determined & all respondents notified

Evaluation Criteria

All proposals will be evaluated based on the following criteria:

- Strength of investment organization and investment management team
- Investment Management Philosophy and Process
- Performance Track Record
- Fees

MPAERS reserves the right to reject any or all responses to this RFP. MPAERS shall unconditionally accept a proposal without alteration or correction, except as provided herein. A candidate may correct, modify or withdraw a response by written notice received in the office designated in this RFP prior to the time and date set for the response opening. After response opening, a candidate may not change the price or any other provision of the response in a manner prejudicial to the interests of MPAERS or fair competition. MPAERS shall waive minor informalities or allow the candidate to correct them. If a mistake and the intended response are clearly evident on the face of the response document, MPAERS shall correct the mistake to reflect the intended correct response and so notify the candidate in writing and the candidate may not withdraw the response. A candidate may withdraw a response if a mistake is clearly evident on the face of the response document but the intended correct response is not similarly evident.

MPAERS shall not be liable for any proposer's costs in preparing responses to this RFP or going through the RFP process. MPAERS does not represent that the information presented in this RFP or in other data and documents provided as part of RFP process is completely accurate and without errors or omissions. MPAERS shall not be liable for the accuracy of any of the information presented in this RFP.

III. REQUIRED PERAC FORMS

Proposers are required to complete the following PERAC forms referred to in the hyperlinks of this page as part of the response to the RFP:

Placement Agent Disclosure Statement

<https://www.mass.gov/doc/placement-agent-statement-for-investment-managers/download>

Disclosure of Conflict of Interest Form

<https://www.mass.gov/doc/vendor-disclosures/download>

Money Manager Checklist

<https://www.mass.gov/doc/money-manager-checklist/download>

Vendor Contact Information Form

<https://www.mass.gov/doc/vendor-contact-information/download>

Vendor Certification Form

<https://www.mass.gov/doc/vendor-certification/download>

RESPONSES MUST BE MADE ON THE REQUIRED FORMS WITH NO MODIFICATIONS.

IV. Compliance with Civil Rights and Non-Discrimination Provisions

Proposers shall not discriminate against any person, employee or applicant for employment because of that person's membership in any legally protected class, including but not limited to their race, color, religion, creed, national origin, ancestry, citizenship, sex, gender identity, sexual orientation, pregnancy, genetic information, age, handicap, disability, or veteran status. Proposers shall not discriminate against any person, employee, or applicant for employment who is a member of, or applies to perform service in, or has an obligation to perform service in, a uniformed military service of the United States, including the National Guard, on the basis of that membership, application, or obligation. Proposers shall comply with all federal and state laws and regulations pertaining to civil rights, nondiscrimination, and equal opportunity, including executive orders and rules and regulations of appropriate federal and state agencies, to the extent applicable, and as such laws, orders, rules, and regulations may be amended

MPAERS is committed to ensuring full participation of diverse businesses in all of MPAERS' economic activities, including its purchases of goods and services. MPAERS supports and encourages the hiring of a diverse and inclusive workforce throughout its economic activities, and believes that Minority Business Enterprises ("MBEs") and Woman Business Enterprises ("WBEs") should have equal opportunity to participate in contracts. The terms MBE and WBE refer to businesses that meet the certification criteria of, and are certified by, the Massachusetts Supplier Diversity Office ("SDO") (formerly known as the Massachusetts State Office of Minority and Women Business Assistance ("SOMWBA")), set forth in 425 CMR Section 2.00 et seq., or that meet the certification criteria of, and are certified by, the Greater New England Minority Supplier Development Council ("GNEMSDC").

V. INVESTMENT MANAGER QUESTIONNAIRE

Date of Response:	
Name of Firm:	
Contact:	
Title:	
Address:	
Telephone:	
E-Mail:	

Asset Class:	Non-U.S. Equity
Benchmark (e.g. ACWI EX-)	
Product Name:	

Directions: The following questionnaire covers Non-U.S. equity products and the general organization or broad asset class. When completing the questionnaire, be sure to:

1. *State the question in **bold** font with your answers stated in regular font.* Responses should be thorough and answer the specific question asked (including the issues addressed in the bullet points).
2. *Adhere to the stated page limits.* Answers should be thorough but concise. For the purpose of adhering to the page limits the questions should not be considered as part of the response.
3. *Adhere to page and style formats.* The responses must be submitted in Microsoft Word compatible format single-spaced with 1” page margins. Font should be 12 point, preferably Times New Roman.

IN ADDITION TO THIS QUESTIONNAIRE, PLEASE ALSO FULLY COMPLETE VI. APPENDIX

A. Organization/People (max 1 page)

1. Provide a general description and history of the firm, including:
 - A. Year firm began providing institutional investment management services and year it began providing investment management for Non. U.S. Equity.
 - B. The ownership structure. Indicate all entities that have an ownership stake in the firm (name and percentage).
 - C. Information on all “related” or “affiliated” firms
 - D. The ownership structure. Indicate all entities that have an ownership stake in the firm (name and percentage).
 - E. Indicate the percentage of your firm owned by women and or minorities.
 - F. List all office locations and the functions performed at each location;
 - G. Affiliated companies or joint ventures.
 - H. Recent or planned changes to the ownership or organization structure.
 - I. Importance of asset management to your and your parent’s (if applicable) overall business strategy.

ALSO COMPLETE VI. APPENDIX

2. **Describe the structure of the group which manages the product.**
 - A. Role of portfolio managers, traders, etc.
 - B. Who is responsible for portfolio construction, security selection, trading, etc.
3. **Describe the compensation and incentive program for professionals directly involved in the product. How are they evaluated and rewarded? What incentives are provided to attract and retain superior individuals?**
 - A. Identify the percentage of compensation which is:
 - i. base salary
 - ii. performance bonus
 - iii. equity incentives
 - iv. other
 - B. Do you offer direct ownership, phantom stock, profit sharing, and/or performance bonus?
 - C. Who is eligible to participate?
 - D. On what basis are these incentives determined - is compensation tied to success factors such as asset growth, performance, or other factors? Please list and indicate the weight of each in determining total compensation.
 - E. How does your compensation structure/levels compare with other firms in the industry?
4. **Describe the background of professionals directly involved in the product.**
 - A. Are they brought in from the outside or promoted to their positions from within the organization?
 - B. Is their prior experience in portfolio management/research/trading, industry, consulting, or other business or technical areas?
 - C. What sort of ongoing education programs (for example, the CFA program) are

encouraged or required?

5. **Discuss the causes and impact of any turnover (departures or hiring/promotions) of any professionals directly involved in the product and the executive ranks you have experienced in the past five years. How long has the team been together?**
6. **Describe the business and management philosophy of the firm.**
 - A. What are the firm's comparative advantages and competitive pressures?
 - B. What is the vision for the firm? How is it determined and how is it communicated to the organization?
 - C. What are the firm's comparative advantages and competitive pressures?
 - D. Include any formal "mission statement" under which the organization operates.
7. **Provide details of any SEC, state regulatory, self-regulatory organization, or professional organization action taken against your firm or any of its owners, principals, or personnel over the past 5 years.**
8. **Over the past five years, has your organization or any officer or principal been involved in any business litigation or other legal proceedings related to your investment activities?**
9. **Do you have or are you affiliated with a broker/dealer, investment bank, insurance company, or other lines of business that are not asset management related, but could present conflicts? If yes, briefly describe.**
10. **Provide details of all SEC fidelity bonds, errors and omissions coverage, and any other fiduciary insurance, which your firm carries.**

B. Philosophy/Process

1. **Describe aspects of your firm's investment philosophy in regards to managing assets actively. What differentiates you from other firms?**
2. **Describe in detail the firm's investment philosophy for the product. What market anomaly or inefficiency are you trying to capture? Why do you believe this philosophy will be successful in the future? How has the philosophy changed over time?**
3. **How does your firm approach risk management? Describe any risk management functions and tools employed.**
4. **How is portfolio risk managed and monitored? Describe all risk management functions and tools utilized.**
5. **Describe the sources and processing of information used to select securities.**
 - A. Are you seeking unique sources of information?
 - B. Are you applying unique methods to process information?
6. **Describe your buy/sell disciplines.**
 - A. What security market capitalization and liquidity criteria meet the requirements of your buy/sell discipline?
 - B. What valuation approaches are used in evaluating stocks?
 - C. What specific fundamental factors are integral to the stock selection process? What is the relative importance of these factors?
 - D. What factors dictate your sell decision?
 - E. Under what circumstances would your firm deviate from these disciplines? Have you ever deviated? If so, please describe.
7. **Describe your portfolio construction process.**
 - A. How many issues are typically contained in a portfolio?
 - B. How are individual country and security weightings determined?
 - C. Discuss the quantitative and qualitative processes utilized.

C. Resources

1. **Describe the quantitative models and tools you utilize for portfolio construction. What enhancements are being contemplated?**
2. **What investments have you made in technology? Describe the tools you have available for portfolio construction, research, trading, information systems, administration, accounting and compliance. What enhancements are contemplated for the firm-wide software?**
3. **Do you have plans/arrangements in place for an alternative work site should your facilities become inoperative because of fire, earthquake, etc.? Describe your emergency and disaster recovery plans.**

4. **How do you measure and monitor client service and customer satisfaction? What are the objectives of your client service effort?**
- A. Who are the client service officers?
 - B. Does each client service officer cover multiple products?
 - C. How do you interact with clients?
 - D. What services and reporting is provided to clients?

5. **Describe the trading capabilities for the product.**
- A. Describe the trading systems and strategies you use, and indicate any enhancements your firm is contemplating.
 - B. Describe how you measure trading costs (commissions and market impact).
 - C. Describe how you use soft dollars.

D. Performance

1. **Describe how you analyze and evaluate the performance of the product.**
- A. Describe the causes for portfolio return deviation (both positive and negative) from the stated benchmark return in each of the past five years.

2. **Provide performance data for your Non-U.S. Equity Composite:**

	1 Year	BM	# Accts	Assets 12/31	Tracking Error
2024					
2023					
2022					
2021					
2020					

3. **Provide trailing performance data for the Non-U.S. Equity Composite for the periods 1-year, 3-years, 5-years and 10-years ending December 31, 2024.**

To receive consideration in this search, your firm must submit either monthly or quarterly returns and quarterly holdings for this product to the Wilshire Compass database. If this product’s returns and holdings have not been submitted previously, you must provide this information.

There is no cost to be included in this database.

To obtain information to submit this information, please send an email to universe@wilshire.com, requesting a username and password.

E. Fees

- 1. Provide your fee quote for this mandate of approximately \$160 and \$80 million. Please provide fee quotes for a separate account, commingled fund, and mutual fund if available. (Please show full fee schedule)**

VI. APPENDIX

I. Organizational Chart – Product Structure & Key Professionals

- a. Provide an organizational chart that diagrams the different functions (research, trading, etc.) dedicated to the product area. Professionals should be identified over their areas of responsibility.
- b. Provide an organizational chart that diagrams the ownership and interrelationships between the parent-subsidary, affiliate, or joint venture entities, if any.

Organizational Chart – Business Lines & Key Executives

- c. Provide an organizational chart that diagrams the different business lines, organizational/reporting functions (portfolio management, research, product development, operations, trading, etc.). Include reference to products. Executives should be identified over their areas of responsibility.

II. Key Professionals

PORTFOLIO MANAGEMENT

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	Sponsoring Body/School

RESEARCH

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	Sponsoring Body/School

TRADING

Name	Title/ Responsibilities	Yrs Exp	Yrs @ Firm	Degrees/ Designations	Sponsoring Body/School

Provide here biographies, no longer than ½ page, on each of the persons listed in above.

III. Responsibilities

Indicate in the table below the percentage of time spent by each professional involved in the product on the activities identified in the table.

Name	Management %	Marketing %	Client Service %	Investment – Research %	Investment – Portfolio Management %	Investment – Trading %	Compliance %	Other-Acctg./ Port. Admin. %

IV. Turnover

Indicate when and why any professional dedicated to the product left or joined the firm in the past three years. What were/are their job responsibilities? For personnel who have left indicate job titles and years with the firm and who replaced them.

JOINED

Date	Name/Title	Responsibilities

DEPARTED

Date	Name/Title	Responsibilities	Yrs @ Firm	Reason for leaving	Replaced by (name/title)

SUMMARY

Total # Professionals	# Joined	# Departed	% Turnover

VII. MPAERS' FORM OF SIDE-LETTER AGREEMENT

REVIEW AND ACKNOWLEDGEMENT OF MPAERS' FORM OF SIDE-LETTER AGREEMENT

The Board will consider commingled funds for this mandate. For commingled funds, the successful proposer will be expected to execute a side-letter agreement in the form attached hereto as Attachment A. Indicate your firm's willingness to agree to and execute a side-letter agreement containing the provisions set forth in Attachment A. Please note any exceptions below:

VIII. MPAERS' FORM OF INVESTMENT MANAGEMENT AGREEMENT

REVIEW AND ACKNOWLEDGEMENT OF MPAERS' FORM OF INVESTMENT MANAGEMENT AGREEMENT

The Board will consider a separately managed account structure for this mandate. For a separately managed account, the successful proposer will be expected to execute an investment management agreement in the form attached hereto as Attachment B. Indicate your firm's willingness to agree to and execute an investment management agreement containing the provisions set forth in Attachment B. Please note any exceptions below:

ATTACHMENT A

FORM OF SIDE LETTER AGREEMENT

[DATE]

Massachusetts Port Authority Employees' Retirement System

Re: [Successful Proposer] (the "**Fund**"), a series of [Sponsoring Parent]

Ladies and Gentlemen:

In consideration of the investment by the Massachusetts Port Authority Employees' Retirement System ("**MPAERS**") in the Fund, MPAERS and [Manager] as investment manager of the Fund (the "**Manager**") hereby agree to the following. Capitalized terms used herein without definition have the same meanings as ascribed to them in the [Fund Operating Agreements].

1. Fiduciary Representation. The Manager hereby represents and warrants to, and agrees with, MPAERS that the Manager, and any investment advisor employed in connection with the Fund, is a fiduciary with respect to the Fund, which includes the assets invested by MPAERS, and will discharge its duties to the Fund, including the assets invested by MPAERS, with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims and investment policies.

2. Indemnification. Section [] of the [Investment Management and Subscription Agreement] of MPAERS (the "Subscription Agreement") is deleted in its entirety and the Manager hereby waives all right to indemnity by MPAERS that it would otherwise be entitled to under the terms of the [Fund Operating Agreements].

(a) [If applicable, insert any required edits to the [Fund Operating Agreements/Subscription Agreement] here.]

3. Annual Certifications. On or before January 1 of each year the Manager shall disclose to the Public Employee Retirement Administration Commission (PERAC) and MPAERS in writing the following:

(a) Any arrangements, oral or in writing, for compensation or other benefit received or expected to be received by the Manager or a related person from others in connection with the Manager's services to MPAERS or any other client subject to oversight by PERAC;

(b) Any compensation, in whatever form, paid or expected to be paid, directly or indirectly, by the Manager or a related person to others in relation to the Manager's services to MPAERS or any other client subject to oversight by PERAC; and

(c) Any conflict of interest the Manager may have that could reasonably be expected to impair the Manager's ability to render unbiased and objective services to MPAERS.

4. Tender Offers. As the investment manager to the Fund, the Manager has sole discretion to exercise all rights, powers, privileges and other incidents of ownership or possession with respect to securities or other assets owned by the Fund, including, without limitation, tender offers. The Manager shall exercise such authority consistent with the Manager's internal policies and procedures, as such may be amended from time to time.

5. Remedies. The Manager acknowledges and agrees that in the event it is determined that the Manager knew or should have known of any material inaccuracy or omission in any placement agent information disclosure relating to MPAERS's investment in the Fund or any other violation of PERAC's Placement Agency Policy, MPAERS's remedy shall be the greater of: (i) the reimbursement of any management or advisory fees paid by MPAERS for the prior two years; or (ii) an amount equal to the amounts paid or promised to be paid to the placement agent as a result of MPAERS's investment. In addition, in such a case MPAERS shall have the right to terminate the Subscription Agreement effective immediately without penalty as described in Section 8(b) of such Agreement, and the right to withdraw from the Fund without penalty (the liquidation and transfer of assets from the Fund shall be made subject to the terms of the Fund's Operating Agreement and within a reasonable time after termination).

6. The Manager confirms and agrees that the Manager shall be solely responsible for, and that MPAERS shall not pay directly or indirectly, any fees, compensation or expenses for any placement agent used by the Manager.

7. This side letter may be executed in separate counterparts, including via facsimile, each of which shall be an original for all purposes and all of which together shall constitute one agreement. The parties hereto agree to these terms as evidenced by the execution of this side letter.

Sincerely,

Name:
Title:
For [Manager]

Acknowledged and Accepted by
Massachusetts Port Authority Employees' Retirement System:

By: _____
Name:
Title:

ATTACHMENT B

FORM OF INVESTMENT MANAGEMENT AGREEMENT

This Agreement, dated as of _____, 2025 (the "Agreement") is made by and between the Massachusetts Port Authority Employees' Retirement Board (the "Board") as manager of the Massachusetts Port Authority Employees' Retirement System funds (the "Funds") and _____ (the "Manager").

Introduction. Under Massachusetts General Laws, Chapter 32, Section 23, the Board has general supervision of the investment and reinvestment of the Funds created by Chapter 32, Section 22 of such laws. The Board is responsible for the administration of the funds and enters into this Agreement appointing the Manager as investment manager of certain assets of the Funds pursuant to its authority under Massachusetts General Laws, Chapter 32, Section 23. In [April] 2025, the Board issued a request for proposals ("RFP") for management of the passive large cap equity asset class of its Funds portfolio. On _____, 2025, the Manager submitted its proposal (the "Proposal") in response to the RFP.

1. **Appointment of the Manager as Investment Manager.** The Board hereby appoints and retains the Manager, and the Manager agrees to serve as investment manager, upon and subject to the terms hereof, beginning at the opening of business on _____, 2025 (the "Effective Date") and continuing until this Agreement is terminated in accordance with the terms hereof. The Manager hereby accepts appointment as such investment manager and agrees to provide services in accordance with (a) this Agreement, (b) the Board's investment objectives and investment guidelines (the "Investment Objectives and Guidelines") which have been provided to the Manager, and (c) its Proposal. The Investment Objectives and Guidelines may be modified from time to time by the Board, upon at least thirty (30) days' prior written notice to the Manager. Subject to such policies, the Manager shall use its best efforts to increase the value of the Account by causing the assets in the Account to be invested and reinvested from time to time.

2. **The Account.** The responsibilities and duties of the Manager are limited to the assets of the Account designated by the Board, which assets will be only a portion of the assets of the Funds. From time to time, the Board may transfer other assets of the Funds to the Account or withdraw any assets from the Account upon written notice to the Manager. Nothing in this Agreement will constitute a commitment by the Board to maintain any minimum amount of assets in the Account. The Manager also shall furnish to the Board necessary assistance in the preparation of all reports relating to the Account now or hereafter required by applicable law.

3. **Investment Objectives and Guidelines.** The Manager will have full responsibility to invest and reinvest the Account, principally in marketable equity securities in accordance with the Investment Objectives and Investment Guidelines, and in compliance with the Investment Regulations ("Regulations") of the Massachusetts Public Employee Retirement Administration Commission ("PERAC") and all applicable laws and other regulations.

4. **Discretionary Authority.** The Manager shall have only those powers set forth in the Regulations of PERAC, which powers are explicitly granted to the Manager by the Board in this Agreement and, with respect to the assets of the Account, all powers which are not so granted shall be exercised only by the Board. The Board authorizes the Manager to invest the Account in accordance with the Investment Objectives and Investment Guidelines. The Board reserves the right to control and invest all cash balances that may exist in the Account, and the Custodian (as defined in Section 6) will inform the Board as to the need for or availability of cash as a result of securities transactions. In carrying out its responsibilities as investment manager, and subject to this Section 4, and the Investment Objectives and Investment Guidelines, the Manager will have full and complete discretion to direct and manage the investment and reinvestment of assets in the Account with full and exclusive power and authority (a) to buy, sell, exchange, convert and otherwise trade in any securities as the Manager may select and (b) to establish and maintain and deal through accounts with one or more securities brokerage firms as the Manager may select. In making all such selections, the Manager shall, bearing in mind the best interests of the Account, use its best efforts to obtain for the Account the most favorable net price and execution available. The Board reserves the right to specify that any part of the securities transactions for the Account, but no more than fifteen percent (15%) of all such transactions, be directed by the Manager to securities brokerage firms that meet requirements or participate in programs or initiatives specified by the Board. Consistent with Massachusetts General Laws, Chapter 32, Section 23, subdivision (2A)(h), in selecting brokerage firms, the Manager shall attempt to utilize brokers located within the Commonwealth of Massachusetts, so long as this is consistent with its duties and obligations hereunder.

5. **Confidentiality.** The Manager will maintain in strictest confidence the investment advice and information it furnishes to or receives from the Board or the Custodian (as defined in Section 6) in connection with this Agreement, provided, however, that the Manager will be permitted to disclose or communicate to a proper party any information received from the Board or the Custodian or developed by the Manager under the terms of this Agreement, if such disclosure or communication is necessary to carry out the purposes of this Agreement or is required by law. Before such disclosure or communication, the Manager, unless prohibited by law, shall notify the Board of the information to be disclosed or communicated and the party to whom that information will be disclosed or communicated. The terms of this paragraph shall not be interpreted so as to prevent the Manager from providing investment advice to other clients who share comparable investment objectives with the Board, or to prohibit the Manager from utilizing the Manager's investment experience or performance with respect to the Account on an undisclosed basis for use in composite performance presentations. The Manager hereby approves of periodic reports by the Board and its staff of the Manager's investment program and investment results hereunder, recognizing that such reports may be public records available to the media and the public.

6. **Custody of Account Assets.** The Board has entered into an Agreement with People's United Bank to act as custodian for all assets of the Funds being managed by investment managers, including without limitation any cash which may be in the Account

from time to time, and no assets of the Account may be delivered or paid to the Manager. The entity serving as such custodian from time to time is herein referred to as the "Custodian." The Manager shall furnish to the Custodian, with a copy to the Board, a list of the Manager's personnel who are authorized to give instructions to the Custodian with respect to the account, and shall forthwith upon any change in such personnel furnish an amended list to the Custodian, with a copy to the Board. The Custodian will maintain separate records of the Account, and the Manager agrees to furnish to the Custodian all information reasonably necessary to maintain such records. The Manager shall have no responsibility or liability with respect to the acts, omissions or other conduct of the Custodian. The Board reserves the right to change the Custodian upon thirty (30) days' notice to the Manager.

7. **Statement of Account; Valuation; Reports.** The Manager shall keep full and complete records of all transactions with respect to the Account and will, at the end of each month during the term of this Agreement, render a statement thereof to the Board together with a portfolio analysis of the Account and performance comparisons related thereto, and a listing of applicable transaction costs including brokers used and commissions paid, if any, to brokers and the average cents per unit for trades. The Manager shall also furnish to the Board such additional reports with respect to the Account as the Board shall reasonably request from time to time. The Manager shall also from time to time, but no less than semi-annually, attend meetings (which, in the Board's sole discretion, may be by telephone conference) with the Board to discuss the Account and the investment outlook.

The Manager shall be responsible for reconciliation of the Account with the Custodian on a monthly basis, in the format and on the schedule established by the Board, and the Board shall cause the Custodian to provide the Manager with all such information as the Manager may reasonably require to perform such reconciliation.

The Manager shall promptly notify the Board in writing (1) of any change in the Manager's representations in this Agreement during the term of this Agreement; (2) of any change in the senior management and key investment professionals, or material changes in ownership of the Manager's organization; (3) of any change in the senior portfolio management team of the Account; (4) of any change in approach to the management of the Account; (5) of any other material change in the Manager's business activities or circumstances, including changes affecting the Manager's equity capital; (6) of any action taken by the Manager that is contrary to or inconsistent with this Agreement, including the Investment Objectives and Investment Guidelines; and (7) of the commencement by any governmental regulatory or law enforcement agency of any investigation, examination or other proceeding directly involving the Manager, its owners, or employees, except such investigations, examinations or other proceedings as are routinely conducted in the ordinary course of the Manager's business.

8. **Fees and Expenses.** The Manager will be entitled to receive from the Board as complete compensation for services rendered hereunder the fees set forth in **Schedule A** hereto. The Fee Schedule may be modified by mutual agreement of the parties in writing. Such fees will be paid by the Board at the times and in the manner specified in

the Fee Schedule, and will be pro-rated from the Effective Date. The Manager will not be paid or reimbursed for any expenses except to the extent permitted by the Board in writing. In the event that the Manager hereafter at any time during the continuation of this Agreement performs similar services for other clients with a similar dollar level of assets and an asset-based fee schedule at a lower or more favorable fee schedule, the Manager will promptly notify the Board of such arrangement.

9. **Services Not Exclusive.** The services of the Manager and its personnel to be provided under this Agreement are not exclusive, and the Manager may provide services to others and engage in other activities, but the Manager shall allocate such personnel and devote such efforts as are necessary for it to carry out its duties under this Agreement. The Manager may give advice and take action in the performance of its duties with respect to any of its clients which may differ from the advice given, or the timing or nature of action taken, with respect to the Account, so long as the Manager adheres to a policy of allocating investment opportunities to the Account over a period of time on a fair and equitable basis relative to other clients. Nothing in this Agreement shall impose upon the Manager any obligation to purchase or sell for the Account any security or other property which the Manager purchases or sells for its own account or the account of any other client if in the opinion of the Manager, such transaction or investment appears unsuitable, impracticable or undesirable for the Account.

10. **Procedures.** All transactions will be consummated by payment to, or delivery by, the Board, or such other party as the Board shall have designated in writing as the Custodian. Instructions of the Manager to the Board and/or the Custodian will be made in writing (or by such electronic means as the Manager and the Board and/or the Custodian may establish and maintain from time to time). The Manager shall instruct all brokers or dealers executing orders on behalf of the Account to forward to the Board and/or the Custodian copies of all brokerage confirmations promptly after execution of transactions. The Manager shall have full and complete discretion to establish accounts with one or more securities brokers as the Manager may select. The Manager shall not be responsible for any acts or omissions by any such broker or brokers, or third parties. The Manager is hereby authorized to combine orders on behalf of the Account with orders on behalf of other clients of the Manager. As set forth in Section 4, the Manager will use its best efforts to obtain the most favorable net price and execution available on securities traded for the Account.

11. **Persons Authorized to Act for the Manager.** The Manager shall from time to time certify to the Board the name of the person or persons authorized to act on its behalf and shall give the Board a specimen of his, her or their signatures. Any person so certified will be an authorized representative of the Manager for purposes of this Agreement and his or her authority to act on behalf of the Manager will continue until notice to the contrary is given by the Manager and received by the Board.

12. **Persons Authorized to Act for the Board.** The Board may from time to time designate any person or persons to act on its behalf in giving instructions, directions, notices or other communications to the Manager and will certify the name of such person or persons to the Manager and give the Manager a specimen of his, her or their signatures. The

authority of any such person to act on behalf of the Board will continue until notice to the contrary is given by the Board and received by the Manager. All oral instructions shall be promptly confirmed in writing.

13. **Proxies and Class Actions.** In accordance with its policy on corporate governance, the Board delegates to the Manager the Board's responsibility for voting all proxies for securities held in the Account and under the fiduciary direction of the Manager. The Manager shall, in conjunction with the Board and the Custodian, develop procedures to facilitate its timely exercise of such proxies. Periodically, the Manager shall provide the Board with the Manager's current proxy voting policy. Periodically, the Board will provide the Manager with the Board's current corporate governance policy for the informational use of the Manager. The Board acknowledges and agrees that the Manager shall not have any responsibility to initiate, consider or participate in any bankruptcy, class action or other litigation against or involving any issue of securities held in or formerly held in the Account or to advise or take any action on behalf of the Board with respect to any such actions or litigation.

14. **Representations by the Manager.** The Manager represents and warrants that it is registered and in good standing as an investment adviser pursuant to the Investment Advisers Act of 1940, as amended, and that it has completed, obtained or performed all other registrations, filings, approvals, authorizations, or consents or examinations required by any government or governmental authority for the performance of the acts contemplated by this Agreement. The Manager shall deliver documentation of such compliance annually or as the Board may reasonably request. The Board acknowledges receipt of Parts I and II of the Manager's Form ADV, and the Manager's Disclosure Statement, as required by Rule 204-3 under the Investment Advisers Act of 1940, not less than 48 hours prior to the date of execution of this Agreement. Manager acknowledges that, in connection with the procurement process conducted by the Board with respect to this Agreement, it has submitted to PERAC a Vendor Certification, Vendor Disclosures, and a Placement Agent Statement for Investment Managers. Manager represents and warrants that any representations it made in those documents were true and complete at the time made and that, should anything occur that makes them no longer true or complete, it will immediately so advise the Board and PERAC.

15. **Termination.** This Agreement may be terminated at any time by the Board upon written notice to the Manager of such termination, and by the Manager upon sixty (60) days' written notice to the Board, effective as of the date set forth in such notice. In the event that this Agreement has not been otherwise terminated pursuant hereto on or before _____, 2032, it will automatically terminate as of the end of business on said _____, 2032. Any termination of this Agreement shall be without payment of any penalty by the Board.

A pro rata determination of fees, if appropriate, will be made for any quarter in which this Agreement has been terminated. Any performance fee owed but still due at time of termination will be paid over the remaining time and in accordance with the established payout schedule as provided for in **Schedule A**.

The Board may also at any time without prior notice direct the Manager to cease activity with respect to the Account, provided, however, that all trades executed but not settled prior to such direction shall be settled. Upon termination, the Manager shall cooperate with the Board to transfer the securities and other assets in the Account and on the effective date of the termination of this Agreement or as close to such date as is reasonably possible, the Manager shall provide the Board with a final report containing the same information as provided in the monthly reports provided pursuant to Section 7.

16. Fiduciary Status of the Manager; Chapter 268A. With respect to the performance of its duties and responsibilities hereunder for the Account, the Manager acknowledges that it is a "fiduciary" within the meaning of Chapter 32 of the Massachusetts General Laws. The Manager shall discharge its duties and responsibilities under this Agreement in accordance with the fiduciary standards of conduct and other requirements as they apply to the Manager. At all times the Manager shall exercise the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent expert acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. The Manager is advised of the existence of Massachusetts General Laws, Chapter 268A (the Massachusetts "Conflict of Interest" statute), and is expected to act and perform its duties in accordance with such provisions. The Manager acknowledges that the Board has delivered a copy of Chapters 32 and 268A of the Massachusetts General Laws as currently in effect to the Manager.

17. Liability. The Manager shall not be liable for the selection of the Investment Objectives and Investment Guidelines but shall be responsible for the management of the Account in accordance therewith, carrying out its duties in accordance with its fiduciary standard, and with such other instructions as the Board may provide from time to time. The Manager shall have no duty, responsibility, or liability in connection with the operation or administration of the Funds generally. The Manager shall not be subject to liability for any act, omission or mistake of judgment in the course of, or connected with, the performance of its responsibilities hereunder, except for its own negligence, willful misconduct or lack of good faith. Nothing herein shall be construed to waive any liability that the Manager has under applicable federal or state securities laws, or of ERISA. No obligation of the Manager, under this Agreement or otherwise, shall be binding personally upon any of the shareholders, officers, agents, employees or trustees of any trust which the Manager may have established.

18. Authority. Each of the parties to this Agreement represents that it is duly authorized and empowered to execute, deliver and perform this Agreement, that such action does not materially conflict with or violate any provision of law, rule or regulation, contract, deed of trust, or other instrument to which it is a party or to which any of its property is subject, and that this Agreement is a valid and binding obligation, enforceable against such party in accordance with its terms.

19. Bonding. The Manager agrees to maintain during the term of this Agreement any fidelity bond with respect to the assets of the Account which it would have to maintain to satisfy Section 412 of ERISA and the regulations thereunder if the Board or the Funds

were subject to the terms of ERISA.

20. **"Soft Dollar" and Other Arrangements.** On an ongoing basis not less than annually, the Manager will identify and provide a written description to the Board of all "soft dollar" arrangements that it maintains with respect to the Account or with brokers or dealers which execute transactions for the Account. Prior to the commencement of the active management of the Account, and periodically thereafter, but no less often than annually, the Manager shall provide the Board with a written description of all arrangements with third parties and other individuals, entities, brokers or money management firms who have or may receive or share in the payment of fees for services in connection with securing or continuing this Agreement.

21. **Confirmations.** The Manager will arrange to have brokers who effect transactions for the Account send to the Custodian confirmations of purchases and sales. Upon written request of the Board, the Manager will arrange to have copies of any of the foregoing sent to any other persons designated by the Board.

22. **Communication.** Any approvals, instructions, directions, notices or other communications (other than oral instructions described in Section 12) pursuant to this Agreement shall be mailed or delivered:

a) To the Board:

Stephen DiGirolamo, CFA, CAIA
Managing Director
Wilshire
210 Sixth Avenue, Suite 3720
Pittsburgh, PA 15222

with a copy to:

Irene E. Moran
Director of Retirement
Massachusetts Port Authority Employees' Retirement System
One Harborside Drive, Suite 102S
East Boston, MA 02128-2909

b) To the Manager:

Attention: _____

c) To the Custodian:

Mr. Anthony Teberio, Vice President
M&T Bank
Global Custody Services
16 North Main Street
Andover, MA 01810

Either party may change the address for notices or other communications to it by written notice to the other stating the new address. The Board may change the name and address for notices or other communications to the Custodian by written notice to the Manager. Notices from either party to the other will be effective when received by the addressee. Notwithstanding the foregoing, the Board hereby consents to the Manager's use of electronic mail to satisfy its disclosure delivery requirements under the federal securities laws (including the Manager's obligation to deliver its Form ADV), and to deliver any other reports and documents. Such consent shall be effective for the duration of this Agreement, unless the Board revokes such consent.

23. **Assignment, etc.** The Manager shall not assign this Agreement without the prior written consent of the Board. This Agreement constitutes the entire Agreement of the parties with respect to its subject matter and may only be amended by a written amendment signed by both parties.

24. **Headings; Attachments.** Headings are for convenience only, and the text of this Agreement will govern the rights and obligations of the parties. Each of the Attachments hereto is incorporated herein by reference. Capitalized items used herein have the same meanings as in this Agreement.

25. **Waiver of Jury Trial; Disputed Matters.** THE PARTIES, BY EXECUTION OF THIS AGREEMENT, VOLUNTARILY AND INTENTIONALLY WAIVE ALL RIGHTS TO TRIAL BY JURY AS TO ALL CLAIMS, DISPUTES, OR CONTROVERSIES ARISING OUT OF, OR RELATING TO, THIS AGREEMENT OR THE PERFORMANCE OR BREACH THEREOF. The Board has acted in reliance on this condition in executing this Agreement. With respect to any controversy or dispute arising out of this Agreement, interpretation of any of the provisions hereof, or the actions of the Manager or the Board hereunder, each of the parties consents to the non-exclusive jurisdiction of all of the federal and state courts in the Commonwealth of Massachusetts, agrees that venue with respect to any action in such Commonwealth shall lie exclusively in Suffolk County, Massachusetts, and waives any defense of *forum non conveniens*; provided, however, that at the sole election of the Board, any such controversy or dispute may be submitted to arbitration before the American Arbitration Association under the Commercial Arbitration Rules then obtaining of said Association, such arbitration to be held in Boston, Massachusetts and Judgment upon any award thus obtained may be entered in any court having jurisdiction thereof. In any such arbitration, each party to the arbitration shall bear its own expenses, including expenses of attorneys, financial experts and other witnesses; any arbitration fees and expenses of the arbitrators shall be divided equally between the disputing parties. Service of process on either party shall be deemed effective if made in the manner prescribed for the giving of notice in Section 22.

26. **Massachusetts Law.** This Agreement will be considered to be an instrument made under seal in the Commonwealth of Massachusetts and it will be construed and the rights

and obligations of the parties determined in accordance with the laws of said Commonwealth, without giving effect to conflicts of laws principles.

27. **Counterparts.** This Agreement may be executed and delivered in multiple counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument. For purposes of the execution of this Agreement, the Parties agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as a manual signature. Delivery of a copy of this Agreement bearing an original or electronic signature by facsimile transmission, electronic mail in portable document format (“pdf”), digital signature software application, or any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing a manual or electronic signature.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Manager and the Board have executed this Agreement as of the date first above written.

**MASSACHUSETTS PORT AUTHORITY
EMPLOYEES' RETIREMENT BOARD**

Irene Moran
Director of Retirement

BY:

SCHEDULE A

MANAGEMENT FEES

As compensation for the management and advisory services to be provided hereunder, the Board shall pay Manager quarterly, in advance, a management fee for each calendar quarter during which the Manager provides the services set forth in the Management Agreement.

In no event shall the Manager be compensated on the basis of a share of capital gains upon or capital appreciation of all or any portion of amounts in the Account.

When an Account is closed during a quarter, a pro rata portion of any management fee paid for such quarter shall be promptly refunded to the Board.

The management fee due to Manager hereunder is calculated on a quarterly basis in advance of each quarter and deducted from the Account upon receipt by the Custodian of an invoice therefor. Manager shall provide the Board with a duplicate invoice reflecting the amount of any fees due for a given period, simultaneously with the giving of such invoice to Custodian. The amount deducted from the Account for any management fee will also be shown as a disbursement on any account statement given to the Board by the Custodian.

For purposes of this Agreement, the Total Market Value of the Account shall be defined as the sum of (i) the value of all cash and securities on deposit in the Account and (ii) accrued income.