



Request for Qualifications

**Domestic and international securities portfolio
monitoring and securities litigation evaluation
and reporting services**

**Date of Issue: October 22, 2024
Response Deadline: 5:00 p.m., MT, on
December 2, 2024**

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Requested By:

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1. PURPOSE OF THE RFQ

The Utah Retirement Systems (“URS”), on behalf of the Utah State Retirement Board, is soliciting Proposals to this Request for Qualifications (“RFQ”) from qualified outside counsel (“Proposers”) to provide Domestic and international securities portfolio monitoring and securities litigation evaluation and reporting services.

Securities litigation counsel will be selected based upon demonstrated competence, qualifications to perform services, capacity, subject matter and procedural expertise, knowledge, written and verbal communication skills, ability, and willingness to comply with contracting requirements, and absence of disqualifying relationships or conflicts of interest.

Proposers shall submit their materials according to the timelines and requirements in this RFQ. Each submission will be reviewed and evaluated by URS as described in this RFQ.

2. BACKGROUND

URS is an independent state agency established as the administrator of governmental retirement and other benefits for eligible public employees and their beneficiaries for the State of Utah and its political subdivisions. The URS systems and plans are maintained on an actuarially and financially sound basis under the management of a board of directors, the Utah State Retirement Board (the “Board”), and an Executive Director.

Under the direction of the Board and the URS Executive Director, the Chief Investment Officer manages the investment functions of URS. As of December 31, 2023, URS managed a \$45.2 billion defined benefit investment portfolio allocated to different asset classes, including U.S. and international equity securities, debt securities, global fixed income, absolute return, private equity, and real assets. The assets are managed by in-house investments staff and external investment managers. Northern Trust provides the systems and plans’ global custodial services.

In addition to in-house counsel services, URS utilizes outside counsel to ensure that it continues to adequately identify potential securities, anti-trust, and other investment-related litigation actions in which it has an interest.

3. SCOPE AND TERM OF SERVICES

Scope of Services

This scope of services is to be used as a general guide and is not intended to be a complete list of all services under this RFQ. The services requested from the selected firm(s) include:

- Obtaining URS’ trading information directly from its custodian bank.
- Monitoring URS’ investment portfolio to identify any losses that may have occurred as a result of a violation or potential violation of federal or state

securities or other laws, or a potential breach of any duty owed URS, and notify URS, in a timely manner, of cases in which URS has a financial interest.

- Using internal and external resources to identify, evaluate and monitor securities and other litigation in which URS has an interest.
- Advising URS of situations where litigation or arbitration may be warranted in a matter, including an assessment of likely outcome, whether URS should remain in the plaintiff class or opt out, various deadlines that affect URS' rights, and other factors, as appropriate, that enable URS to make an informed decision on how to proceed.
- Identifying, monitoring, evaluating, and reporting to URS on U.S. and international litigation and other actions that impact URS' portfolio.
- Notifying URS of those actions that the Proposer believes merit further consideration for a more active role.
- Regular periodic reporting to URS, through its in-house counsel, which includes at least the following information:
 - Identifying newly filed securities or other litigation cases or arbitrations in which URS has losses or a financial interest, including the estimated value of the losses.
 - Identifying class action settlements and upcoming proof of claim deadlines for those cases in which URS has a financial interest.
- Providing legal analysis and a calculation of losses in cases where the loss or potential loss is significant enough that URS may consider joining the litigation or taking an active role subject to the approval of the URS Executive Director.
- Being responsive and available on an as-needed basis to confer and provide recommendations to URS on newly filed, pending, and recently settled securities litigation or other cases in which URS has a financial interest.

Proposers should be aware that, if URS decides to pursue active involvement in a securities or other litigation action, URS will conduct a separate selection process for its litigation counsel. Entering a contract with URS to provide portfolio monitoring and securities litigation evaluation and reporting services will not automatically lead to being selected as litigation counsel.

Term of Services

URS intends to enter into agreements with one or more law firms for portfolio monitoring and securities litigation evaluation and reporting services relating to its assets in both the United States and in foreign jurisdictions. This engagement will have a term of five years, unless terminated by URS earlier, in its sole, absolute discretion.

When a Proposer enters into an agreement with URS, that Proposer becomes a "Contractor." URS is not guaranteeing any amount of work to any Contractor. At the conclusion of the engagement period, a Contractor's services will continue until a successor Contractor's services begin.

Any Proposer in the candidate pool not selected to enter into an agreement with URS will remain in the candidate pool for five years, and at URS' sole discretion, may be awarded an agreement during that time.

The projected service Contractor selection date will be early in 2025.

4. PROPOSAL SUBMISSION AND COMMUNICATIONS

Deadline for Responses

All responses to this Request for Qualifications must be received by URS no later than 5:00 p.m., MT, on December 2, 2024. Any Proposal received, including revisions, after the submission deadline will not be considered.

Intent to Submit Email

If an interested party or Proposer intends to respond to this RFQ, please send an email to Kevin Catlett, URS Chief Investment Counsel, (kevin.catlett@urs.org) providing notice that the Proposer will be replying to this RFQ through email with the subject line, "Intent to Submit RFQ Proposal." This notification will identify the Proposer's contact person, permit the Office to monitor compliance with the requirements of this section, and facilitate necessary communications.

Submission Requirements

After Kevin Catlett receives an "Intent to Submit RFQ Proposal" email from a potential Proposer, he will send a reply email that provides a link that the Proposer may (and is strongly encouraged to) use to communicate with URS via secure, encrypted email.

The only proposal submission method is through email to Kevin Catlett, URS Chief Investment Counsel, (kevin.catlett@urs.org) with the subject line, "RFQ Proposal Submission." Required information should be included as attachment in either .pdf or MSWord format.

Rules for Proposer Questions

URS strongly discourages questions or comments regarding the process, requests of Proposers, or Proposal content requirements contained in this RFQ. If asking a question is deemed necessary, the only communication method for questions is through an email to Kevin Catlett (kevin.catlett@urs.org) with the subject line, "RFQ Proposal Question." Answers to all submitted Proposer questions will only be sent by return e-mail to all Proposers who previously emailed their intent to respond to this RFQ.

Restriction on communications with URS during the RFQ Period

To preserve the integrity of this procurement process, from the date the RFQ is issued until the date this RFQ is completed, Proposers, their representatives, and other parties under their control, may not directly or indirectly contact employees of URS or members of the Utah State Retirement Board regarding this RFQ except as provided herein. Failure to comply with this communications restriction may, at the sole discretion of

URS, result in the disqualification of the Proposer or potential Proposer from the procurement process.

This communications restriction does not apply to communications with URS relating to business not related to this RFQ, where a Proposer is providing legal advice and services to URS under an existing agreement, or communications related to scheduling or participating in interviews relating to this RFQ.

5. PROPOSAL EVALUATIONS

Evaluation of Proposals

Failure of a Proposer to provide information requested in this RFQ may result in disqualification of the Proposal and shall be the responsibility of the responding firm.

For this RFQ, URS is not bound by formal request for proposal rules. Rather, URS will evaluate all Proposals on the basis of the information provided in Proposals, and any other factor(s) URS deems relevant. The Contractor(s) will be selected based upon demonstrated competence, qualifications to perform services, capacity, subject matter and procedural expertise, knowledge, written and verbal communication skills, ability, and willingness to comply with contracting requirements, and absence of disqualifying relationships or conflicts of interest.

URS will identify Proposers to include in its candidate pool and is not guaranteeing a contract to all Proposers who are selected to be in this RFQ's candidate pool. URS reserves the right to make an award to a Contractor without further discussion of Proposals received with Proposers. Therefore, it is important that the proposal be submitted initially in the most complete terms possible.

During the evaluation process, URS may, at its sole discretion, request additional information or a presentation from any one or all Proposers. Such presentations or interviews may be conducted electronically or in Salt Lake City, Utah. Not all Proposers may be asked for additional information or presentations.

No information will be released after the Proposal submission deadline until an award has been made. URS will notify any unsuccessful firms after the award. Please note that URS does not disclose to any party, including an unsuccessful Proposer, Proposer's identities, information about Proposals, or an explanation of why another Proposal was successful. As explained further below in the section on Confidentiality, URS considers all Proposals proprietary and confidential.

Acceptance of Proposal and Contract

Based on the Proposals received, URS may choose to negotiate further with one or more Proposers and reserves the right to make an offer to and enter into an agreement with one or more Proposers.

This RFQ does not commit URS to award a contract or to pay any costs incurred in the preparation of a Proposal for this RFQ. All response costs, including Proposal preparation and presentation, site visits, and negotiation meetings are entirely the responsibility of the Proposer and may not be chargeable in any manner to URS.

A legally binding agreement is not created between URS and Contractor until an engagement agreement is entered, finalized, and approved.

6. PROPOSAL CONTENT REQUIREMENTS

For ease of review, each request response in the Proposal shall be provided in a separate section using the headings and numbering used below. Each request response in the Proposal is also subject to the indicated page limits.

All Proposals shall respond to the following requests:

Contact Details

- (1) Provide a statement setting forth the name of your firm's contact person for this RFQ, including an email address and business and mobile phone numbers to use for follow-up contact during business hours.

Summary and Firm History

- (2) **In 1 page or less**, summarize your services and your firm's history, including the year the firm began providing securities litigation and monitoring services.

U.S. Case Monitoring

- (3) **In 3 pages or less**, describe how your firm would monitor and evaluate URS' investment portfolio for losses that may have been incurred due to violation(s) of law, including:
 - (a) Describe exactly the services your firm would provide in monitoring and evaluating potential domestic claims, including the department providing monitoring services, case evaluation services, investigation of potential matters, how that department operates, and how your firm would be compensated for those services.
 - (b) Indicate whether your firm's securities monitoring services will be performed directly by the firm or if all or any part of those services will be performed by a third party(ies).
 - (c) Describe whether and, if so, how your firm uses in-house investigators to investigate securities litigation cases.
 - (d) Describe your firm's case evaluation process and how it analyzes potential actions.

- (e) Describe the reporting process that your firm would use regarding the monitoring and evaluation of URS' portfolio, and recommendations concerning potential class action litigation.
- (f) Describe your firm's philosophy in vetting and recommending cases, including generally the circumstances in which it would recommend that URS play a more active role.

International Actions Monitoring

- (4) **In 3 pages or less**, describe your firm's international securities actions monitoring and evaluation services, including:
 - (a) Describe exactly the services your firm would provide in monitoring and evaluating potential international claims, including the department providing monitoring services, case evaluation services, and investigation of potential matters, how that department operates, whether your firm has dedicated attorneys or staff to evaluate international claims related to investment losses and their experience in doing so.
 - (b) Indicate how your firm would be compensated for monitoring foreign securities actions.
 - (c) Describe the reporting process your firm would use regarding advice and recommendations concerning potential international securities litigation.
 - (d) Describe the circumstances under which you would recommend that URS join an international securities action.

Securities Litigation Services

- (5) **In 3 pages or less**, provide a detailed explanation of the securities litigation services your firm would provide to URS, including:
 - (a) Describe the anticipated role of URS' staff in your firm's provision of the requested legal services.
 - (b) Describe the reporting process your firm would use when URS participates in litigation as lead plaintiff in a class action or as a passive member of the plaintiff class.
 - (c) Identify and describe the qualifications and experience of attorneys and professional personnel who would be assigned to staff URS work, including:

- (i) Describe the current and planned role each individual would play, relative to such assignments.
 - (ii) Provide a short biography of such attorneys including their title, function, number of years with your firm, years of experience, and educational background.
 - (iii) Identify the individual that would be the lead attorney for URS matters.
- (6) **In 1 page or less**, describe whether your firm provides other types of legal services that may pertain to URS' investments, such as derivative litigation or opt-out litigation, and describe those legal services and your firm's expertise in providing the same.
- (7) **In less than 1 page**, describe the methodology your firm would use to determine fees to be received by your firm in class action awards or settlements where URS is the lead plaintiff. In addition, complete the following fee grid.

	Commencement of Case to Decision on Motion to Dismiss	From Day After Decision on Motion to Dismiss through Discovery and Ruling on Summary Judgment Motion	From Day After Ruling on Summary Judgment Motion through Trial, Verdict and Appeal
Total Recovery of \$100 million or less	%	%	%
Total Recovery of greater than \$100 million and up to \$250 million	%	%	%
Total Recovery of greater than \$250 million and up to \$500 million	%	%	%
Total Recovery of greater than \$500 million	%	%	%

Securities Litigation Experience

- (8) **In less than 1 page**, state whether your firm has participated as lead counsel in one or more (if more, quantify) securities litigation cases with an ultimate settlement or judgment of at least \$50 million.
- (9) **In less than 3 pages**, state whether your firm has brought one or more (if more, quantify) securities class action cases to trial. If it has, describe the outcome(s) for all such cases in the last 5 years, including whether your firm has taken such a case through to a jury verdict.
- (10) **In less than 3 pages**, provide a representative listing of securities litigation matters in which your firm, within the past 10 years, has achieved favorable outcomes. Include a brief description of the type of work your firm performed on behalf of your client(s), the key issues in the case(s), and outcome(s) obtained.

Client List

- (11) Provide a list of representative clients.
- (12) Provide a list of clients who may be contacted for references.

Insurance

- (13) Provide a certificate of insurance coverage reflecting professional liability insurance equal to or greater than \$1,000,000.

Conflicts

- (14) Identify any actual or potential conflicts of interest that may arise from your firm's potential representation of URS.
- (15) Identify any current or former contact(s) or relationship(s) of any nature whatsoever with any current or former member of the Utah State Retirement Board, or any current or former URS employee(s). Identify any current business relationship(s) or any current negotiations for prospective business with URS, any member of the Utah State Retirement Board, or URS employee(s).

Disciplinary Proceedings

- (16) State whether, during the five years immediately preceding your proposal, your firm, including any past or present attorney employed by your firm, has been the subject of any adverse claim(s) of any kind for any alleged breach(es) of duty(ies) or alleged violation of the governing rules of professional conduct. For each such case, describe the nature of the claim(s), your firm's relationship to the claimant(s), and the disposition of the claim.

Signature

(17) Proposals shall be signed by a binding agent for the firm.

7. CONFIDENTIALITY

URS is not subject to Utah's Governmental Records Access and Management Act (GRAMA) and other public disclosure laws. As such, responses received in connection with this RFQ shall remain confidential. URS will not share or release Proposals or Proposal information, including the names of Proposers, to Proposers or others during or after the selection process.

Proposal information will be shared only with URS personnel involved in the evaluation of the proposals and personnel involved in the evaluation of the proposals and engagement of the selected firm(s).

All data in possession of URS is confidential pursuant to Utah Code Ann. § 49-11-618. URS maintains the highest standards of confidentiality for the information in its possession. A selected firm will be required to protect URS' information under attorney-client privilege and safeguard such information to the same extent as it safeguards its own confidential or proprietary information.

URS will notify any unsuccessful Proposers after the final selection. However, URS does not disclose to an unsuccessful Proposer information about why any Proposal was selected.

Thank you for your participation and timely response to this RFQ.