



P.O. Box 149676
Austin, Texas 78714-0185

1.800.223.8778
www.trs.texas.gov

4655 Mueller Blvd.
Austin, Texas 78723

Brian K. Guthrie
Executive Director

December 12, 2025

Re: Notice of Opportunity for Selection of the Investment Consultant to the Teacher Retirement System of Texas Board of Trustees

To whom it may concern:

The Teacher Retirement System of Texas (TRS) is seeking applications from qualified individuals for consideration for selection as the investment consultant to the TRS Board of Trustees (Board).

TRS is the largest public retirement system in Texas, serving two million members. Our mission is to improve the retirement security of our members by prudently investing and managing TRS Trust assets and delivering benefits that make a positive difference in their lives. TRS' investment portfolio includes all assets invested by TRS to provide retirement, death, health, and disability benefits administered by the System. As of August 31, 2025, the fund value of TRS investments was \$225.3 billion.

TRS currently contracts with Meketa Investment Group to provide comprehensive investment advisory and consultant services to the Board. In addition, the Board seeks an individual investment consultant. The duties of the investment consultant include providing general advice regarding asset mix, benchmarking, and portfolio characteristics relating to various TRS portfolios. A more complete description of the investment consultant's duties may be found in the *Notice of Opportunity for Selection of the Investment Consultant to the Teacher Retirement System of Texas Board of Trustees* (Notice), which is enclosed with this letter.

The contract with the Board's current investment consultant will expire on August 31, 2026. This opportunity will begin September 1, 2026. TRS is notifying individuals of this opportunity along with the attached documents, which includes all the information necessary to submit a Statement of Interest. If you have any questions, please do not hesitate to contact Dietrich Sanders, TRS Procurement and Contracts Professional at 512-542-2793.

Please note that the due date for submission of a Statement of Interest is 4:00 p.m. on January 26, 2026, Central Standard Time.

Evaluation will be conducted in three stages, which are identified in the Notice. The Board will make a final selection at the TRS Board Meeting in April 2026.

Thank you for considering this opportunity.

Robert H. Walls, Jr.
Chairman



NOTICE OF OPPORTUNITY FOR THE SELECTION OF THE INVESTMENT CONSULTANT TO THE BOARD OF TRUSTEES OF THE TEACHER RETIREMENT SYSTEM OF TEXAS

The Board of Trustees (the “Board”) of the Teacher Retirement System of Texas (TRS) is seeking statements of interest from qualified individuals for consideration for selection to serve as the investment consultant (the “Investment Consultant”) to the Board.

To be considered, please review the position responsibilities and qualifications below and complete the *Statement of Interest in the Investment Consultant to the TRS Board of Trustees* (“Statement”) that follows this Notice with either a resume or Curriculum Vitae (CV) to Dietrich.Sanders@trs.texas.gov no later than 4:00 p.m. on **January 26, 2026, Central Standard Time.**

Any questions about this Notice may be directed to: Dietrich Sanders, TRS Procurement and Contracts Professional, at 512-542-2793.

1. Background

- 1.1. **About TRS.** TRS is a service-oriented, public pension system providing retirement, healthcare, and related benefit programs for Texas public education employees, retirees, and their beneficiaries (“Participants”). TRS’ mission is to improve the retirement security of plan Participants and their beneficiaries by prudently investing and managing trust assets and delivering benefits that make a positive difference in members' lives. TRS administers a qualified governmental, defined benefit pension plan under section 401(a) of the federal Internal Revenue Code. TRS members and annuitants total more than two million people. TRS invests state, employer, and member contributions and administers the system for the exclusive benefit of Participants. Additional information about TRS may be accessed at <https://www.trs.texas.gov/>.
- 1.2. **TRS Investments.** As one of the largest public pension funds in the United States, TRS’ investment portfolio includes all assets invested by TRS to provide retirement, death, health, and disability benefits administered by the system. As of August 31, 2025, the fund value of TRS investments was \$225.3 billion.

The Board has the primary fiduciary responsibility for investing TRS trust assets in accordance with Article XVI, Section 67 of the Texas Constitution and with applicable law. The Board adopts the Investment Policy Statement, which establishes investment objectives and policy, obtains expert advice and assistance, and oversees the employment of a qualified and competent investment staff (Investment Management Division) and legal staff.

TRS currently contracts with Meketa Investment Group to provide investment advisory and consultant services to the TRS Board. This Notice seeks an individual (natural person) to also provide investment advisory and consultant services to the TRS Board.

2. **Investment Consultant Responsibilities and Obligations.** The Investment Consultant will provide investment consulting services to the Board regarding TRS' investment policies, guidelines, practices, and portfolio (the "Investment Consulting Services").

- 2.1 The Investment Consultant will provide recommendations, advice, and opinions upon request by the Board (including individual Board members) regarding matters related to the Board's investment responsibilities. Such matters may include without limitation proposed or draft investment policies, investment performance and benchmarking, asset mix, investment and portfolio characteristics, cash flow, and allocation discussions. The Investment Consultant will be accessible to the Board and other committees of the Board, and their members, at any time that the Investment Consultant's advice might be required on investment matters, upon reasonable notice.
- 2.2 The Investment Consultant agrees to use his/her best efforts to attend all Board meetings and committee meetings during which investment-related matters will be presented, discussed, or considered, or as requested by the Board, or Investment Management Committee (IMC) chair, or the Executive Director (or his designee). Board meetings are held at TRS Headquarters, which is located at 4655 Mueller Blvd., Austin Texas. The first Board meeting under the resultant Contract will be scheduled for September 2026.
- 2.3 The Investment Consultant will maintain a thorough understanding of TRS' investment objectives, goals, and policies, as well as its investment organization by reviewing as necessary all relevant TRS investment policies, strategies, and procedures. The Investment Consultant will also review and become familiar with any investment policy changes that are adopted by the Board during the term of the resulting Contract.
- 2.4 The Investment Consultant agrees to read and review all investment-related

materials prepared for review or consideration by the Board or one of its committees by TRS staff or other consultants (as requested) and make recommendations, deliver opinions, and provide insights to the Board or one of its committees regarding any proposed actions. In performing the services, the Investment Consultant shall offer and provide independent advice to the Board or one of its committees, as applicable.

- 2.5 The Investment Consultant will confer with individual Trustees on an as needed basis to address questions or review investment materials to assist in understanding and making decisions on matters under consideration at a Board or committee meeting and to highlight items, principles and concepts that the Investment Consultant determines Trustees should be aware of and understand. Such consultation may include training, education, or assisting with TRS new Trustee orientation, on investment matters relevant to the Trustee's duties.
- 2.6 The Investment Consultant will interact and communicate with TRS staff outside of Board or committee meetings as necessary in connection with provision of consulting services to the Board or one of its committees at their respective meetings.
- 2.7 The Investment Consultant will review and discuss draft or proposed investment policies with TRS staff and deliver written opinions and recommendations to be included in the Board meeting materials. This will include written opinions on the Investment Policy Statement, Securities Lending Policy, Proxy Voting Policy, Commission Credits Policy, as well as on the Strategic Asset Allocation. The Investment Consultant may be asked or may determine the need for additional written opinions or reports, as needed, on proposed actions before the Board.
- 2.8 The Investment Consultant will participate, as necessary, in an orientation program to gain or maintain a working knowledge of the Investment Consultant's responsibilities and review and become familiar with any materials associated with those responsibilities.
- 2.9 The Investment Consultant will be a fiduciary under the Contract. The fiduciary obligations shall include, but not be limited to, the fiduciary duties of loyalty and to perform solely in the interest and for the benefit of TRS in its capacity as a public pension plan. The Investment Consultant's guidance must be free from conflicts of interest and aligned with the Board's legal, policy and ethical obligations.
- 2.10 The Investment Consultant will confer on a regular basis with the chair of the IMC as a touchpoint on the services being provided.

- 2.11 The Investment Consultant will perform such other duties reasonably requested by the Board for the purpose of advising and assisting the Board in performing its responsibilities and exercising its authority for those Services described in sections 2.1 through 2.11 of this Notice (“Core Investment Consultant Services”).
- 2.12 The Investment Consultant may be asked to provide the Board with ad hoc services that are not a Core Investment Consultant Service (“Non-Core Investment Consultant Services”) but are related to the Board’s investment responsibilities.

3. Qualifications

- 3.1 To be considered for selection as the Investment Consultant, a Candidate must have in-depth knowledge and experience relating to the Investment Consultant Services to be provided under the resulting Contract. This may include any of the following: (1) academic scholarship and teaching, investment advising and consulting, or direct investment experience; (2) knowledge and experience related to defined benefit pension plans or other tax-exempt institutional clients that have diversified portfolios with assets exceeding \$10 billion preferred; (3) knowledge and experience related to the State of Texas legislative process; (4) knowledge and experience regarding State of Texas laws impacting pensions and investments; and (5) experience explaining investment strategies, risks, and performance metrics to individuals, such as Board members, with varying levels of financial expertise.
- 3.2 A Candidate must identify any conflicts of interest related to serving the Teacher Retirement System. The Investment Consultant must sign, date and comply with the TRS Code of Ethics for Contractors (Code), which is attached to this Notice as Exhibit B. The Investment Consultant must also sign and date the annual compliance statements as required by the Code. The Code will be included as an attachment to the resulting Contract.

4. Fees

- 4.1 The fee schedule included as section E to the Statement must be completed by the Candidate and timely submitted with the Statement. No additional amount will be paid for any costs or charges incurred by the Investment Consultant which are not listed on this schedule. Direct costs for travel expenses, including meals, lodging, or other related expenses, will be paid, provided the Investment Consultant receives prior written approval regarding such expenses. Payment of travel costs will be reviewed on a case-by-case basis and is not guaranteed. If approved, travel costs shall be paid pursuant to State of Texas per diem rates and guidelines.

- 4.2 Board meeting review, preparation, and attendance. The Board Chair determines the number of board meetings. There are currently five regular meetings each year. Four of the meetings are quarterly, two-day meetings including committee meetings (typically, April, July, September, and December) and the fifth (February) is generally a training meeting, although consideration items may be scheduled. Special meetings may be called for specific, time-sensitive issues such as changes required after a Legislative Session. The Board Chair may determine more meetings may be necessary. The dates for regular meetings are approved for the next calendar year at the September meeting.

5. Evaluation Process

- 5.1 Evaluations will be conducted in three stages. In the first stage, the evaluation committee will identify and interview the Candidates the evaluation committee believes are most qualified to provide the services described in this Notice.
- 5.2 In the second stage, a second evaluation committee of three Board Trustees will interview the top-ranked interviewed Candidates based on the scores awarded by the evaluation committee in the first stage. TRS will require that top-ranked Candidates present an overview of their respective qualifications and ability to provide the Investment Consulting Services that meets TRS requirements. The interviews will either be performed virtually or at TRS headquarters located at 4655 Mueller Blvd., Austin, Texas at a date and time to be determined. The number of top-ranked Candidates will be determined by TRS at its sole discretion.
- 5.3 In the third stage, TRS will invite the top-ranked Candidates following the second stage evaluations to the April 2026 Board meeting for a public presentation to the Board for further evaluation and final selection. The Board will then delegate to the Executive Director the authority to negotiate a contract award.

6. Evaluation Criteria

- 6.1 **Evaluation Criteria - First Stage.** Candidates in the first stage of the evaluation process will be evaluated on the following factors:
- 6.1.2 *Qualifications (up to 75 points).* Demonstrated competence, knowledge and qualifications of the Candidate in the last ten consecutive years providing Investment Consulting Services. Candidates must demonstrate their qualifications documented in a resume or CV that includes relevant experience with an array of Investment Consulting Services.

6.1.3 *Fees (up to 25 points).* Fairness and reasonableness of the proposed fees.

6.2 **Evaluation Criteria - Second Stage** (*up to 10 points*). Candidates in the second evaluation stage will be evaluated based on each Candidate's ability to clearly articulate his or her understanding of the required services and responsibilities described in section 2 of this Notice relating to *Investment Consultant Responsibilities and Obligations* and how their experience will best satisfy TRS' requirements of an Investment Consultant.

6.3 **Evaluation Criteria - Third Stage.** The Contract resulting from this Notice requires selection by the Board at a Board meeting. The identified top-scoring Candidates may be asked to attend the April 2026 Board meeting for final interviews. The Board will select the Candidate who represents the best overall value for TRS based on the Candidates' qualifications, experience, proposed contract terms and conditions, proposed fees, and other relevant factors. "Best overall value" means a combination of factors that, in the Board's judgment, is most consistent with TRS' best interests. The Board will then delegate to the Executive Director the authority to negotiate a contract award.

7. **Contract Term**

7.1 **Contract Term.** The term of the resulting Contract will begin on September 1, 2026 and run through August 31, 2029 (the "Contract Term").

7.2 **Contract Renewal.** TRS may, in its sole discretion, renew the contract for up to two additional, one-year terms.

8. **Payment**

8.1 **Payment Rate.** To be determined.

8.2 **Payment Schedule.** To be determined.

9. **Cost**

9.1 Candidates are solely responsible for all costs incurred in preparing a Statement and attendance at any interviews.

10. **Protest Procedures**

10.1 Any protest to this Notice or the resulting Contract award shall be governed by 34 Texas Administrative Code § 51.2 (relating to Vendor Protests and Appeals). All protests, appeals, and stay requests, if any, must be timely submitted to

LegalNotices@trs.texas.gov.

11. Criminal Background Check

- 11.1 TRS may conduct a criminal background check on Candidates who may be asked to attend the April 2026 Board meeting for possible selection as the Investment Consultant.



Statement of Interest for the Investment Consultant to the TRS Board of Trustees

A candidate submitting this Statement of Interest (“Statement”) must provide responses to all questions. A resume or Curriculum Vitae must be provided to TRS along with the completed Statement (and any other requested information).

Section A. Contact Information

| | |
|-------------------------|--|
| Name | |
| Physical Street Address | |
| City, State, Zip | |
| Phone Number | |
| Email Address | |

Section B. Professional Information

Please answer the questions listed in this section B by checking either the “Yes” or “No” box and answering any follow-up questions that have been asked. If a text box has not been provided and additional information has been requested, please provide that information in an appendix entitled “Section B- Additional Information” and submit it to TRS along with the completed Statement (and any other requested documents).

1. Do you agree to complete all web-based compliance training that is required by TRS and state law?

Yes: ☐ No: ☐

2. Are you currently serving, or have you served as an Investment Consultant to any other pension fund?

Yes: ☐ No: ☐

If “Yes,” please specify which other pension funds, the respective dates of service, the range of asset value of the fund during your service, and the scope of services you provided.

3. Are you currently serving, or have you served as a member of a Board of Trustees.

Yes: ☐ No: ☐

If “Yes,” please specify which Boards and the respective dates of service.

4. Are you registered with a state, federal, or non-U.S. securities, commodities, derivatives, or banking regulator or self-regulatory organization?

Yes: ☐ No: ☐

If “Yes,” please identify the registered entity name, the year of registration, and the regulator. Also identify any material deficiencies noted by any regulator or self-regulatory organization.

5. Over the past ten (10) years, have you or a corporate entity for which you provide investment-related services as a principal ever:
- a) been subject to any non-routine Securities and Exchange Commission (“SEC”) inquiry or investigation or similar inquiry or investigation from any similar federal, state, or self-regulatory body or organization;
 - b) settled any litigation concerning breach of fiduciary responsibility or other investment- related matters;
 - c) submitted a claim to your errors and omissions, fiduciary liability, and/or fidelity bond insurance carrier(s); or
 - d) been convicted of a misdemeanor or felony in the past five (5) years?

If you answer in the affirmative regarding any of the foregoing, provide details of such and the status of any related proceedings.

6. Is there any pending or threatened litigation against you, or a corporate entity for which you provide investment-related services as principal, for providing Services of any type (civil, criminal, regulatory, arbitration, mediation, etc.)? If “Yes,” please explain.

Yes: ☐ No: ☐

7. Do you adhere to the CFA Code of Ethics and Standards of Professional Conduct or any other professional standard of conduct? Do you have any financial industry licenses or qualification examinations (e.g., FINRA SIE)? If “Yes,” identify which ones.

Yes: ☐ No: ☐

8. If selected to serve as the Investment Consultant, do you agree to a background check?

Yes: ☐ No: ☐

Section C. Service Delivery

In a few sentences, please answer each of the questions that follow in this section C. Please answer those questions in an appendix entitled “Section C-Service Delivery Answers” and submit it to TRS along with the completed Statement (and any other requested documents).

1. What is your general approach to advising clients?
2. What do you believe are best practices for public pension fund governance structures?
3. What do you believe are best practices for Board delegation of investment activities to staff?
4. Describe your public pension fund experience and approach in developing, monitoring, and updating investment policies and objectives for a diversified pension fund. To the extent applicable, your answer should address how your experience and approach meets the requirements stated in section 3.1 of the *Notice of Opportunity for the Selection of an Investment Consultant to the Teacher Retirement System Board of Trustees* relating to Qualifications.
5. Describe your philosophy regarding:
 - (a) How to design a plan’s strategic asset allocation;
 - (b) The role of leverage;
 - (c) Tactical asset allocation;
 - (d) Risk allocation and risk budgeting;
 - (e) The role of private markets for a public fund client;
 - (f) The role of hedge funds;
 - (g) Performance-based manager fees;
 - (h) Factor-based investing; and
 - (i) Proxy voting.

Section D. References

Please list at least two references for current or past services that are similar in scope and scale to the Investment Consulting Services required under the Notice, who may be contacted for verification of qualifications.

| | | |
|-------|--------|--------|
| Name: | Phone: | Email: |
| | | |
| Name | Phone: | Email: |
| | | |

Section E. Fees

Please provide your fee structure for both Core and Non-Core Investment Consulting Services.

| Service Description | Fixed Annual Fee |
|---|------------------|
| All Core Investment Consulting Services described in sections 2.1 through 2.11 of the Notice (relating to the Investment Consultant Responsibilities and Obligations) | \$ |

| Service Description | Hourly Rate for Attendance at Meetings Requested by TRS | Hourly Rate for Preparation and Delivery of Written Reports Requested By TRS |
|--|---|--|
| Non-Core Investment Consulting Services described in section 2.12 of the Notice (relating to the Investment Consultant Responsibilities and Obligations) | \$ | \$ |

Exhibit A – TRS Code of Ethics for Contractors

The [Code of Ethics \(COE\) for Contractors](#) must be submitted with a Candidate's Statement of Interest and will be incorporated by reference into the resultant Contract.

The selected Contractor will be required to inform TRS of any changes that may affect the answers to the COE during the life of the awarded Contract. In addition, there is a required annual review.



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Austin, Texas 78714-0185

4655 Mueller Blvd.
Austin, Texas 78723

Brian K. Guthrie
Executive Director



Teacher Retirement System of Texas

Contract Signature Page

This Contract is entered into effective on September 1, 2026 (the “Effective Date”), by and between the Teacher Retirement System of Texas (TRS), with its principal place of business at 4655 Mueller Blvd, Austin, Texas 78723 and **TBD** (Investment Consultant or Contractor), an individual with an office located at **TBD**. TRS and Contractor are collectively called “Parties” and each a “Party.”

TRS Contract Number: **TBD**

TRS Contract Name: Investment Consulting Services for the TRS Board of Trustees (the “Board”)

The Contract Amount: \$**TBD**

The Effective Date: September 1, 2026

The Expiration Date: August 31, 2029

Renewal Option(s): Two (2), one (1) renewal terms

Description of Work: Investment Consultant will provide investment consulting services to the Board. A description of those services are set forth in article II of the Statement of Work below.

| Teacher Retirement System of Texas (TRS) | | Insert Name (Investment Consultant) | |
|---|--------------------|--|-----------------------------|
| By: | | By: | |
| Printed Name: | Brian K. Guthrie | Printed Name: | |
| Title: | Executive Director | Title: | Board Investment Consultant |
| Date: | | Date: | |
| | | Vendor ID Number: | |
| Procurement and Contracts Representative: | | | |
| Printed Name: | | | |
| Public Certification(s): | CTCM, CTCD | | |
| Date: | | | |

DRAFT

Contract Documents List

Contract Documents List

The Contract between TRS and the Investment Consultant consists of the Contract Documents listed on this page. In the event of any conflict or contradiction between or among the documents attached to or otherwise incorporated into this Contract, the following order of precedence will govern this Contract in the following order:

1. Contract Signature Page
2. Contract Documents List
3. TRS General Terms and Conditions
4. Scope of Work
5. Notices, Representatives, and Records Location
6. Code of Ethics for Contractors
7. Release of Claims Form to be returned with final invoice
8. Confidentiality Policy
9. Confidential Information Procedures and Standards
10. Non-TRS Worker policy
11. Notice of Opportunity for Appointment as an Investment Consultant to the Teacher Retirement System of Texas Board of Trustees.
12. Investment Consultant's Application in Response to the Notice of Opportunity for Selection as an Investment Consultant to the Teachers Retirement System of Texas Board of Trustees.

TRS General Terms and Conditions

Teacher Retirement System of Texas

General Terms and Conditions

These General Terms and Conditions ("Terms and Conditions") are incorporated for all purposes into the contract ("Contract") between the Teacher Retirement System of Texas ("TRS") and Contractor. To the extent that any provision contained in these Terms and Conditions conflicts with any provision contained elsewhere in the Contract, it is expressly understood and agreed that the provision contained in these Terms and Conditions shall control to the extent necessary to resolve the conflict.

- 1. Independent Contractor.** Contractor and its employees, representatives, agents, subcontractors, suppliers, and third-party contractors shall serve as independent contractors in providing the services under this Contract. This Contract shall not create any joint venture, partnership, agency, or employment relationship between Contractor and TRS. Neither Contractor nor TRS is an agent of the other and neither may make any commitments on the other party's behalf. Contractor shall have no claim against TRS for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind.
- 2. E-Verify Program.** Contractor certifies that for contracts for services, it shall utilize the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of all persons hired by Contractor during the term of the contract to perform duties in Texas and all persons, including subcontractors, assigned by Contractor during the term of the Contract to perform work pursuant to the Contract within the United States of America.
- 3. Subcontractors.** For purposes of this clause, "subcontractor" does not include an affiliate of Contractor. Contractor may not subcontract the work or obligations due under this Contract without the prior written approval of TRS. Contractor expressly understands and acknowledges that in entering such subcontract(s), TRS is in no manner liable to any subcontractor(s) of Contractor and all acts and omissions of any subcontractor(s) are imputed to Contractor. In no event shall this provision relieve Contractor of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with this Contract.
- 4. Criminal Background Checks.** Contractor shall comply with, and cause any subcontractor provided by Contractor to comply with, TRS' Background Check Policy ("BCP"). Contractor agrees pursuant to the BCP that when TRS determines that a criminal background check ("CBC") is required, TRS will conduct the CBC and Contractor shall reimburse TRS for the costs incurred by TRS in conducting the CBC. All information pertaining to a CBC shall only be provided to an authorized representative of TRS' Organizational Excellence division.
- 5. No Conflicts of Interest.** Contractor represents and warrants that the provision of goods and services or other performance under the Contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety. Contractor will not have any relationship with a third party that could be construed as a violation of the TRS Code of Ethics for Contractors ("TRS Code"). Contractor shall give notice to TRS of any actual, apparent, or potential conflict of interest as defined in, and in the manner required by, the TRS Code or applicable law.

6. Dealings with Public Servants Affirmation. Contractor represents and warrants that it has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract.

7. Financial Participation Prohibited Affirmation. Contractor certifies that neither Contractor nor any person or entity represented by Contractor has received compensation from TRS to participate in the preparation of the specifications or solicitation on which this Contract is based. Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive the specified contract and acknowledges that this Contract may be terminated, and payment withheld, if this certification is inaccurate.

8. Intellectual Property. To the extent services include deliverables created and produced by Contractor pursuant to this Contract, the term "Work" is defined as all work products, designs, specifications, systems, software, programs, intellectual property, deliverables, or other property generated for the benefit of TRS in connection with the services provided under this Contract. TRS and Contractor each consider the Work and all products and results of the services to be a work made for hire. Contractor agrees that the Work, and all rights therein, belongs to and shall be the sole and exclusive property of TRS. If for any reason the Work would not be considered a work-for-hire under applicable law, Contractor does hereby sell, assign, and transfer to TRS, its successors and assigns, the entire right, title, and interest in and to the copyright in the Work and all works based upon, derived from, or incorporating the Work. Contractor shall execute all papers and perform such other property rights, as TRS may deem necessary to secure for TRS the rights herein assigned. Failure to timely deliver such Work to TRS shall constitute a material breach of this Contract. Contractor shall not retain any copies of the Work without the prior written consent of TRS. To the extent Work includes intellectual property created before the Effective Date or otherwise independent of this Contract ("Independent Assets"), Contractor hereby grants to TRS a perpetual, irrevocable, royalty free license solely for TRS' internal business purposes to use, reproduce, create derivative works from, and distribute any such Independent Assets embodied in or delivered in conjunction with Work.

9. Taxes. Purchases made for State of Texas use are exempt from the State Sales Tax and Federal Excise Tax. TRS will furnish Tax Exemption Certificates upon request. Contractor represents and warrants that it shall pay all taxes or similar amounts resulting from the Contract, including, but not limited to, any federal, State, or local income, sales or excise taxes of Contractor or its employees. TRS shall not be liable for any taxes resulting from the Contract.

10. Excess Obligations Prohibited. This Contract is subject to termination or cancellation, without penalty to TRS, either in whole or in part, subject to the availability of state funds. Contractor understands that nothing in the Contract creates an obligation or liability exceeding budgeted funds currently available to TRS during the current biennium, except to the extent that TRS' Board of Trustees ("Board") determines that expenditure of pension trust funds exceeding the amounts currently budgeted to compensate Contractor for performance of services is necessary for fulfilling the Board's fiduciary duties.

11. Invoices and Payment. Contractor shall submit invoices through the TRS Procurement and Vendor E-System (PAVES). Vendors will be required to activate an account in PAVES to submit

invoices. Payment to Contractor will be made within thirty (30) days of TRS' receipt of Contractor's undisputed invoice. No increase in any amount due by TRS under this Contract shall be binding on TRS without TRS' prior written consent. Interest for late payments shall be governed by the Texas Prompt Payment Act, chapter 2251 of the Texas Government Code. Contractor shall not bill TRS for required training pursuant to the Non-TRS Workers (Contract Workers, Unpaid Interns and Volunteers) Policy, unless such costs are specifically authorized in this Contract. In the event such costs are specifically authorized, they shall be itemized in Contractor's invoice.

12. Reimbursement for Travel. Travel reimbursement is limited to actual costs incurred by Contractor and shall not exceed the maximum allowed for State employees by the Texas Comptroller of Public Accounts. Contractor will not be compensated for any travel expenses, unless contemplated by this Contract and otherwise pre-approved by TRS in writing. Under no circumstances will Contractor be compensated for off-duty hours while traveling.

13. Release of Payment Claims by Contractor. The final invoice submitted by Contractor shall be accompanied by a complete and legally effective release of TRS from all known and unknown payment claims relating to this Contract on a form provided by TRS. Contractor's acceptance of final payment constitutes a waiver of all known or unknown payment claims against TRS related to this Contract, other than those specifically excepted in the release.

14. Contracting Information Responsibilities. In accordance with Section 552.372 of the Texas Government Code, Contractor agrees to (1) preserve all contracting information related to this Contract as provided by the records retention requirements applicable to TRS for the duration of the Contract, (2) promptly provide to TRS any contracting information related to the Contract that is in the custody or possession of Contractor on request of TRS, and (3) on termination or expiration of the Contract, either provide at no cost to TRS all contracting information related to the Contract that is in the custody or possession of Contractor or preserve the contracting information related to the Contract as provided by the records retention requirements applicable to TRS. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J, Chapter 552, Government Code, may apply to this Contract and Contractor agrees that the Contract can be terminated if Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

15. Records Retention; Inspection of Records. Contractor shall maintain and retain all records relating to the performance of this Contract, including supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with applicable State of Texas requirements. Contractor shall maintain and retain these records in accordance with TRS' records retention schedule for a period of seven (7) years after the expiration date of the Contract or until all associated audit, claim, and litigation matters are resolved, whichever is later. During the initial and any renewal term of this Contract, Contractor shall, at reasonable times and upon reasonable notice, permit TRS, its agents, and authorized state and federal agencies to have access to all records pertaining to this Contract, as necessary, for purposes of inspection, monitoring, copying, audit, and evaluation.

16. TRS Data and Confidentiality.

16.1 The term “TRS Data” refers to all TRS information, as well as other entity information in the possession of TRS, that is processed, stored, or transmitted by a computer, including data that is generated by Contractor in the performance of services under the Contract. For purposes of this Contract, TRS Data maintained by or for TRS constitutes confidential information and includes information confidential by law or otherwise excepted from disclosure under the TPIA. Contractor shall maintain the confidentiality of TRS Data and prevent unauthorized disclosure. Contractor will not collect, access, use, disclose, or retain TRS Data other than as necessary to perform the services under this Contract or as otherwise authorized in writing by TRS. Contractor will restrict access to TRS Data to only those personnel who must have the information on a “need to know” basis. Contractor will not use TRS Data, or any information derived from TRS Data, for its own benefit or the benefit of any other person or entity. Contractor will not share TRS Data with its parent company or other affiliate without TRS’ express written consent.

Contractor shall not disclose TRS Data to any third party, except as specifically provided in this Contract or as required by applicable law or court order. Contractor shall notify third parties to whom TRS Data is disclosed of the confidentiality terms of this Contract. Where disclosure of TRS Data to any third party is required by applicable law or court order, Contractor, as permitted by law, shall notify TRS prior to the disclosure.

16.2 Contractor shall disclose to TRS all AI technology it uses to provide services to TRS and shall use its best efforts to mitigate risks associated with the use of AI. Contractor shall comply with all applicable federal and state laws, regulations, and guidelines, including those that regulate privacy, security, employment discrimination, intellectual property rights, and consumer protection regarding the use of AI in the provision of services to TRS. Contractor shall not access or use TRS Data for any purpose other than to the extent necessary to perform the Contract services, including the use of TRS Data to train, retrain or improve the foundational AI technology model or share the generated output with any party other than TRS.

16.3 Contractor shall comply with TRS’ Confidentiality Policy and TRS’ information security requirements associated with the services provided under this Contract. Contractor shall implement and document a comprehensive information security program and use reasonable security practices to make its services secure. If the security of any TRS Data is compromised or breached, Contractor shall immediately notify TRS both orally by telephone and in writing, but no later than 12 hours after Contractor is aware of the compromise or breach and reimburse TRS for reasonable out-of-pocket expenses directly resulting from such compromise or breach. In the event a compromise or breach involves a person’s sensitive personal information, Contractor shall comply with the notice requirements under Section 521.053 of the Texas Business and Commerce Code and provide identity theft protection services for one (1) year for each affected person.

16.4 Contractor's obligations under this provision shall survive termination of this Contract.

17. Cybersecurity Training. Contractor represents and warrants that it will comply with the requirements of Section 2054.5192 of the Texas Government Code relating to cybersecurity training and required verification of completion of the training program.

18. Data Management and Security Controls. In accordance with Section 2054.138 of the Texas Government Code, Contractor certifies that it will comply with the security controls required under this Contract and will maintain records and make them available to TRS as evidence of Contractor's compliance with the required controls.

19. Cloud Computing State Risk and Authorization Management Program (TX-RAMP). Pursuant to Section 2054.0593(d)-(f) of the Texas Government Code, relating to the cloud computing state risk and authorization management program, Contractor represents and warrants that it complies with the requirements of the state risk and authorization management program and Contractor agrees that throughout the term of the Contract it shall maintain its certifications and comply with the program requirements in the performance of the Contract.

20. Public Information Act. Information, documentation, and other material in connection with this Contract may be subject to public disclosure pursuant to Chapter 552 of the Texas Government Code, also known as the Texas Public Information Act ("TPIA"). In accordance with Section 2252.907 of the Texas Government Code, Contractor is required to make any information created or exchanged with the State pursuant to the Contract, and not otherwise excepted from disclosure under the TPIA, available in a format that is accessible by the public at no additional charge to the State. Contractor waives any claim against and releases from liability TRS, its trustees, employees, agents, attorneys, and TRS as trustee of any trust fund managed by TRS with respect to requested information related to this Contract that is determined by the Office of the Attorney General of Texas, a court of law, or TRS to be subject to disclosure under the TPIA.

21. Insurance. Contractor shall procure and maintain at Contractor's own expense throughout the term of this Contract and any renewals or extensions thereof insurance coverage as may now or hereafter be necessary in such types and amounts as deemed commercially reasonable for the Services provided to TRS. Pursuant to section 2261.102 of the Texas Government Code, Contractor shall carry director or officer liability insurance coverage in an amount not less than the value of the contract that is sufficient to protect the interests of the State of Texas in the event an actionable act or omission by a director or officer of Contractor damages the state's interests. TRS may issue a written request for applicable certificates of insurance which Contractor shall provide to TRS within a reasonable amount of time.

22. Force Majeure. Neither Contractor nor TRS shall be liable to the other for any delay in, or failure of performance, of any requirement included in this Contract caused by force majeure events, such as war or an act of war, order of legal authority, act of God, work stoppages due to labor strikes, lockouts, fires, explosions, hurricanes, floods, failure of transportation, epidemics, riots, sabotage, or other causes that are beyond the reasonable control of either Party and that by exercise of due foresight such Party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such Party is unable to overcome. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed, provided the non-performing Party exercises all reasonable due diligence to perform. TRS reserves the right to employ any means legally permissible to have services performed during a force majeure event.

23. INDEMNIFICATION.

23.1 CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND TRS AND THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, THIRD-PARTY CLAIMS, DEMANDS, SUITS, FINES, OR PENALTIES, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS, OR WILLFUL MISCONDUCT, OF CONTRACTOR OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT. CONTRACTOR SHALL ALSO DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND TRS FROM AND AGAINST ALL THIRD-PARTY CLAIMS ARISING FROM INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY INTELLECTUAL PROPERTY ARISING OUT OF THE PERFORMANCE OF SERVICES.

23.2 CONTRACTOR AND TRS AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY CLAIMS. THE DEFENSE SHALL BE COORDINATED BY CONTRACTOR WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL ("ATTORNEY GENERAL") WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE ATTORNEY GENERAL. NOTWITHSTANDING ANY OTHER PROVISIONS TO THE CONTRARY, TRS SHALL NOT INDEMNIFY CONTRACTOR OR ANY OTHER ENTITY UNDER THE CONTRACT.

24. LIMITATION OF LIABILITY. TRS' LIABILITY UNDER THIS CONTRACT IS SUBJECT TO THE LIMITATIONS UNDER CHAPTER 2260 OF THE TEXAS GOVERNMENT CODE. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFITS, ANTICIPATED OR OTHERWISE, OR LOSS OF REVENUES IN CONNECTION WITH OR ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT, EXCEPT AS IT CONCERNS CONTRACTOR'S POTENTIAL LIABILITY UNDER ANY BUSINESS ASSOCIATE AGREEMENT ("BAA") ASSOCIATED WITH THIS CONTRACT. NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY, NO DISCLAIMER OR LIMITATION OF LIABILITY SHALL APPLY TO THE FOLLOWING: (1) CONTRACTOR'S INDEMNIFICATION OBLIGATIONS; (2) DAMAGES CAUSED BY CONTRACTOR'S GROSS NEGLIGENCE, FRAUD, OR WILLFUL MISCONDUCT; AND (3) TO THE EXTENT A BAA IS EXECUTED BY THE PARTIES, LOSSES ARISING UNDER THE BAA.

25. Termination. TRS may terminate all or any part of this Contract for cause, default, or breach by providing Contractor with advance written notice. Upon Contractor's receipt of the notice, Contractor shall cease performing services, except those directly pertaining to Contractor's efforts to cure the breach. Within ten (10) days of Contractor's receipt of the notice, Contractor must cure the breach or demonstrate to TRS' satisfaction that a breach has not occurred. If Contractor does not timely cure the breach or demonstrate to TRS' satisfaction that a breach has not occurred, TRS may immediately terminate this Contract. TRS may also terminate all or any part of this Contract for convenience, without cost or penalty, by providing Contractor with thirty (30) calendar days' advance written notice. Upon receipt of the notice, Contractor shall, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. TRS shall be liable for payments limited only to the portion of work authorized by TRS in writing and which Contractor has completed, delivered to TRS, and which

has been accepted by TRS. TRS shall have no other liability, including no liability for costs associated with termination.

26. Suspension. TRS may suspend with immediate effect all or part of the Work for cause by giving notice to Contractor. This suspension will continue until TRS notifies Contractor that the suspension is lifted. TRS has no obligation to lift this suspension until it is satisfied that Contractor will comply with the relevant requirements. Contractor is not entitled to compensation or reimbursement while the Work is suspended for cause. TRS may also suspend with immediate effect all or part of the Work for convenience by giving notice to Contractor. This suspension continues until TRS notifies Contractor that the suspension is lifted. TRS shall reimburse Contractor for reasonable, documented, direct, and non-recoverable expenses resulting from suspension for convenience that could not have reasonably been avoided by Contractor.

27. Non-Exclusive Remedies. If default occurs, then TRS shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to suspend, terminate, or to seek specific performance of all or any part of this Contract. In addition, TRS may (itself or through another contractor) complete the Work, and Contractor shall pay to TRS all costs and expenses reasonably incurred in completing the Work, any cost resulting from delay in completing the Work, and all other costs incurred in connection with the termination. These remedies are not exclusive, and TRS reserves all other rights and remedies available under this Contract.

28. Debarment. Contractor certifies that it and its principals are not suspended or debarred from doing business with the State of Texas or the federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts and the *System for Award Management* maintained by the General Services Administration.

29. Excluded Parties. Contractor certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism*," published by the United States Department of the Treasury, Office of Foreign Assets Control ("OFAC"). Contractor also certifies that no principal, partner, member, director, officer, or holder of a controlling interest in Contractor is under sanctions programs or lists administered by OFAC, including the List of Specially Designated Nationals and Blocked Persons administered by OFAC, as such list may be amended from time to time.

30. Foreign Terrorist Organizations. Contractor represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization as defined under federal and state law.

31. Foreign Adversaries. Respondent or Contractor certifies that neither Respondent or Contractor, nor any of its holding companies or subsidiaries, is: a) listed in Section 889 of the 2019 National Defense Authorization Act ("NDAA"); b) listed in Section 1260H of the 2021 NDAA; c) owned by the government of a country on the U.S. Department of Commerce's ("USDOC") foreign adversaries list under Section 791.4 of Title 15 of the Code of Federal Regulations ("CFR"); or d) controlled by any governing or regulatory body located in a country on the USDOC's foreign adversaries list under Section 791.4 of Title 15 of the CFR.

32. Boycotts and Discrimination. Contractor certifies and verifies that it: 1) does not boycott Israel and will not boycott Israel during the term of this Contract; 2) does not boycott energy companies and will not boycott energy companies during the term of this Contract; and 3) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Contract against a firearm entity or firearm trade association.

33. Critical Infrastructure Affirmation. Pursuant to Government Code Section 2274.0102, Contractor certifies that neither it nor its parent company, nor any affiliate of Contractor or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Government Code Section 2274.0103, or (2) headquartered in any of those countries.

34. Business Operations and Practices. Contractor represents and warrants that it is in good standing and authorized to do business in the State of Texas, that it is compliant with or exempt from State of Texas franchise tax requirements, that it and its officers have not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code or allegations of any unfair business practice in any administrative hearing or court suit, and that it and its officers have not been found to be liable for such practices in such proceedings. Contractor agrees to notify TRS in writing promptly upon any material change, including lapse or revocation, in its authorization, licensing, or certification status in any jurisdictions where authorization, licensure, or certification is required to perform the services relating to this Contract.

35. Antitrust Affirmation. Contractor represents and warrants that neither Contractor nor the firm, corporation, partnership, or institution represented by Contractor, or anyone acting for such a firm, corporation or institution has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15 of the Texas Business and Commerce Code, or the federal antitrust laws, or (2) communicated directly or indirectly the contents of this Contract to any competitor or any other person engaged in the same line of business as Contractor.

36. Legal and Regulatory Actions. Contractor represents and warrants that it is not aware of and has received no notice of any court or governmental agency actions, proceedings, or investigations pending or threatened against Contractor or any of the individuals or entities who will provide services under this Contract within the five (5) calendar years immediately preceding execution of this Contract that would or could impair Contractor's performance under the Contract or otherwise relate to the solicited or similar goods or services. Contractor shall notify TRS in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update TRS shall constitute breach of contract and may result in immediate termination of this Contract.

37. Child Support Obligation Affirmation. Under Section 231.006, Family Code, the vendor or applicant certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate.

- 38. Executive Head of a State Agency Affirmation.** In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Contractor certifies that it is not (1) the executive head of TRS, (2) a person who at any time during the four years before the date of the Contract was the executive head of TRS, or (3) a person who employs a current or former executive head of TRS.
- 39. Disclosure of Prior TRS Employment.** Contractor represents and warrants that none of its employees who are authorized to provide services under this Contract has been employed by TRS at any time during the two years immediately prior to the date of execution of this Contract.
- 40. Debts and Delinquencies Affirmation.** Contractor agrees that any payments due under the Contract shall be applied towards any debt or delinquency that is owed to the State of Texas.
- 41. Disaster Recovery Plan.** Upon request of TRS, Contractor shall provide the descriptions of its business continuity and disaster recovery plans.
- 42. False Statements.** Contractor represents and warrants that all statements and information prepared and submitted to TRS by Contractor prior to execution of this Contract are current, complete, true, and accurate. Contractor acknowledges that Contractor's submission of information with false statements or material misrepresentations during the performance of this Contract is a material breach of contract and may void this Contract.
- 43. Computer Equipment Recycling Program.** If this Contract concerns the purchase or lease of computer equipment, Contractor certifies that it complies with Subchapter Y, Chapter 361 of the Texas Health and Safety Code related to the Computer Equipment Recycling Program and the Texas Commission on Environmental Quality rules in 30 TAC Chapter 328.
- 44. Television Equipment Recycling Program.** If this Contract concerns the purchase or lease of covered television equipment, Contractor certifies that it complies with Subchapter Z, Chapter 361 of the Texas Health and Safety Code related to the Television Equipment Recycling Program.
- 45. Compliance with Law.** Contractor shall comply with all laws, regulations, requirements, guidelines, and TRS policies applicable to a vendor providing services and products required by this Contract.
- 46. Assignment.** Contractor shall not assign its rights under this Contract or delegate the performance of its duties under the Contract without prior written approval from TRS. Any attempted assignment in violation of this provision is void and without effect. Contractor must provide TRS with sufficient notice of the proposed assignment and provide supporting documentation to enable TRS to timely complete its review.
- 47. No Third-Party Beneficiaries.** This Contract is made solely and specifically among and for the benefit of the parties named herein and their respective successors and assigns, and no other person shall have any right, interest, or claims hereunder or be entitled to any benefits pursuant to or on account of the contract as a third-party beneficiary or otherwise.
- 48. Publicity and Endorsement.** Contractor shall not use TRS' name, logo, or other likeness in any press release, marketing material, or other announcement without TRS' prior written approval. TRS does not endorse any vendor, commodity, or service. Contractor is not authorized to make or participate in any media releases or public announcements pertaining to this Contract

or the services to which they relate without the prior written consent of TRS' Executive Director or Deputy Director.

49. Dispute Resolution. The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used to attempt to resolve any claim for breach of contract made by Contractor that cannot be resolved in the ordinary course of business. All remedies for claims of breach of contract shall be governed by Chapter 2260 of the Texas Government Code.

50. Sovereign Immunity. Nothing in this Contract shall be construed as a waiver of TRS' or the State of Texas' sovereign immunity or any of the privileges, rights, defenses, remedies, or immunities available to TRS or the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to TRS or the State of Texas under this Contract or applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. TRS does not waive any privileges, rights, defenses, or immunities available to TRS by entering this Contract or by its conduct prior to or after entering this Contract.

51. Governing Law and Venue. This Contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law provisions. The venue of any suit arising under this Contract is fixed in any court of competent jurisdiction of Travis County, Texas.

52. Binding Effect. This Contract shall inure to the benefit of, be binding upon, and be enforceable against, each Party and their respective permitted successors, assigns, transferees and delegates.

53. No Implied Waiver. Failure of a Party to require performance by another Party under this Contract will not affect the right of such Party to require performance in the future. No delay, failure, or waiver of either Party's exercise or partial exercise of any right or remedy under this Contract shall operate to limit, impair, preclude, cancel, waive, or otherwise affect such right or remedy. A waiver by a Party of any breach of any term of this Contract shall not be construed as a waiver of any continuing or successive breach.

54. Severability. If any provision of this Contract is construed to be illegal or invalid, such construction will not affect the legality or validity of any of its other provisions. The illegal or invalid provision will be deemed severable and stricken from the Contract as if it had never been incorporated herein, but all other provisions will continue in full force and effect.

55. Survival. Expiration or termination of this Contract for any reason does not release Contractor from any liability or obligation set forth in the Contract that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of this Contract.

56. Entire Contract. All exhibits to this Contract are intended to be attached to this Contract and are incorporated herein by reference as if set forth in full. This Contract sets forth the final, complete, and exclusive understanding of the Parties with respect to the contemplated services and supersedes all prior and contemporaneous oral or written contracts, understandings,

representations, and negotiations between the Parties relating to the subject matter of this Contract.

57. Amendments and Extensions. This Contract may be amended only in a writing signed by authorized representatives of TRS and Contractor. To the extent any law or regulation requires TRS to include additional language in this Contract, Contractor shall cooperate in the execution of any amendment to the Contract that is necessary to effectuate and comply with such law or regulation. TRS, by unilateral amendment, may extend the Contract for 180 days beyond its expiration.

58. Signature Authority. Each Party represents and warrants that the individual signing this Contract has the authority to execute this Contract on the respective Party's behalf. This Contract may be executed in one or more counterparts, each of which is an original, and all of which constitute only one agreement between the Parties. The counterparts may be executed and delivered by electronic signature by either of the Parties and the receiving Party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

Scope of Work

SCOPE OF WORK

BACKGROUND

- A. TRS is a pension fund created and organized under the constitution and laws of the state of Texas to provide retirement, death, and survivor benefits for employees of public education in Texas and their beneficiaries.
- B. Under its enabling constitutional and statutory provisions, TRS holds its assets in trust for the members and beneficiaries and has a fiduciary duty to such members and beneficiaries.
- C. TRS invests assets to achieve investment objectives consistent with the purpose of TRS.
- D. TRS desires to engage an investment consultant for the Board under sections 825.103(e) and 825.301(b), Government Code, to provide expert consulting services to the Board related to its investment programs.
- E. The Board has authorized the Executive Director to engage Investment Consultant and execute a Contract for the provision of those services.
- F. Investment Consultant has expertise in providing consulting services related to investments and wants to provide such services to TRS.

ARTICLE I – ENGAGEMENT

- 1.1. **Engagement.** TRS retains Investment Consultant to provide investment consulting services to the Board on the terms set forth in this Contract, and Investment Consultant agrees to provide such services on such terms.
- 1.2. **Status of Investment Consultant.** The Parties acknowledge and agree that in providing the services under this Contract, Investment Consultant is acting as an independent contractor and neither Investment Consultant, nor any of his employees, subcontractors, or agents is a TRS employee. Although TRS may give general information, review, and comment on the work product of Investment Consultant, Investment Consultant shall fully control and be responsible for the manner and method of performance and the accuracy and completeness of the work product of Independent Consultant.
- 1.3. **Authority.** Consistent with this Contract, TRS Bylaws charge the Board with the responsibility to obtain such expert advice and assistance with respect to its actions as is necessary to exercise its responsibilities prudently.

ARTICLE II – INVESTMENT CONSULTANT RESPONSIBILITIES AND OBLIGATIONS

- 2.1. **Standard of Performance.** In providing the services under this Contract, Investment Consultant is acting as an expert in asset classes and investment strategies the Trust employs, including public equity and fixed income instruments, derivatives, and private investment funds; and, as such, Investment Consultant shall exercise appropriate care and judgment in advising TRS and performing all of his duties. Investment Consultant is acting in a fiduciary capacity to TRS.
- 2.2. **Duties.** Investment Consultant will provide investment consulting services to the Board regarding TRS' investment portfolio. Investment Consultant will be accessible to the Board and other committees of the Board, and their members, at any time that the Investment Consultant's advice might be required

on investment matters, upon reasonable notice. Although Investment Consultant's duties do not include providing advice specific to a particular portfolio held by TRS, Investment Consultant's duties do include providing general advice regarding asset mix, benchmarking, and portfolio characteristics relating to various TRS portfolios.

2.2.1 Investment Consultant will maintain a thorough understanding of TRS' investment objectives, goals, and policies, as well as its investment organization by reviewing as necessary all relevant TRS investment policies, strategies, and procedures. Investment Consultant will also review and become familiar with any investment policy changes that are adopted by the Board during the term of this Contract.

2.2.2 Investment Consultant will review and evaluate information submitted to the Board or one of its committees by TRS staff or other consultants (as requested) and make recommendations and deliver opinions to the Board or one of its committees regarding any proposed actions. In performing the services, Investment Consultant shall offer and provide independent advice to the Board or one of its committees, as applicable.

2.2.3 Investment Consultant agrees to use his best efforts to attend all Board meetings and committee meetings during which investment-related matters will be presented, discussed, or considered, or as requested by the Board, Board or committee chair, or the Executive Director (or his designee). Investment Consultant will offer independent evaluation, opinions, comments, and advice to the Board regarding staff recommendations and any other related matters. Investment Consultant will be provided with reasonable notice of the dates and times of Board and committee meetings, and Investment Consultant agrees to provide reasonable advance notice to the Board or committee Chair and the Executive Director if Investment Consultant is unable to attend.

2.2.4 Investment Consultant will confer on a regular basis with the Chair of the Investment Management Committee (IMC), who will serve as the representative of the Board for the Contract; meetings between the IMC Chair and Investment Consultant should be held prior to quarterly Board meetings, and on an as needed basis.

2.2.5 Investment Consultant will coordinate with designated TRS staff to provide one-on-one calls with individual Trustees prior to Board meetings to review investment materials and staff recommendations; provide comments and discuss advantages and disadvantages associated with a proposal or recommendation; provide questions designed to assist the Board or one of its committees in understanding and making decisions on matters under consideration; and to highlight items the Investment Consultant determines Trustees should be aware of and understand prior to the Board meeting.

2.2.6 Investment Consultant will provide recommendations, advice, and opinions upon request by the Board (including individual Board members) regarding matters related to the Board's investment responsibilities. Such matters may include without limitation proposed or draft investment policies, investment performance and benchmarking, asset mix, investment and portfolio characteristics, cash flow, and allocation discussions.

2.2.7 Investment Consultant agrees to read and review all investment-related materials prepared for review or consideration by the Board or one of its committees, as applicable, including proposed changes to Board investment policies. Such materials will be provided by the staff to Investment Consultant at the time these materials are provided to the Board or respective committee members.

Investment Consultant should receive materials approximately one week in advance of meetings absent extraordinary circumstances.

2.2.8 Investment Consultant will interact with and communicate with TRS staff outside of Board or committee meetings as necessary in connection with provision of consulting services to the Board or one of its committees at their respective meetings.

2.2.9 Investment Consultant will review and discuss draft or proposed investment policies with TRS staff, and deliver written opinions and recommendations addressed to the Board by applicable deadlines provided by the TRS staff. This will include written opinions on Investment Policy Statement, Securities Lending Policy, Proxy Voting Policy, Commission Credits Policy, as well as on the Strategic Asset Allocation. The Investment Consultant may be asked for or may determine the need for additional written opinions or reports, as needed, on proposed actions before the Board

2.2.10 Investment Consultant will coordinate with designated TRS staff to reach out to new Trustees to ascertain their level of investment knowledge and experience and offer investment-related training to meet their individual needs.

2.2.11 Investment Consultant will be available for and participate in a performance review with the Board prior to the end of the Contract term to evaluate the services delivered.

2.2.12 Investment Consultant shall perform such other duties reasonably requested by the Board for the purpose of advising and assisting the Board in performing its responsibilities and exercising its authority for those Services described in sections 2.2 through 2.2.12 of this Contract (“Core Investment Consultant Services”).

2.2.13 The Investment Consultant may be asked to provide the Board with ad hoc services that are not a Core Investment Consultant Service (“Non-Core Investment Consultant Services”) but are related to the Board’s investment responsibilities.

ARTICLE III – FEES

3.1. **Fee.** TBD

3.2. **Expenses.** Investment Consultant will be reimbursed for reasonable and appropriate actual travel, meal, and lodging expenses incurred in connection with attendance at Board meetings away from Investment Consultant’s city of residence in Austin and, if Investment Consultant’s attendance is requested for other meetings, such other meetings of the Board or one of its committees. For purposes of this contract, “reasonable and appropriate actual travel, meal and lodging expenses” are those expenses which do not exceed the travel, meal and lodging limitations established for state employees which are found in the Texas Appropriations Act and the State of Texas Travel Allowance Guide then in place at the time the expenses are incurred. To avoid non-reimbursable travel, meal or lodging expenses, Investment Consultant shall contact appropriate TRS accounting personnel for specific limitations prior to incurring travel, meal or lodging expenses for which he may seek reimbursement. travel, meal and lodging expenses must be substantiated to TRS’ satisfaction through receipts.

ARTICLE IV – REPRESENTATIONS

4.1 **Representations by Investment Consultant.** Investment Consultant makes the following

representations, warranties, covenants, and certifications, which will survive the expiration or termination of this Contract:

4.1.1 Investment Consultant is an expert in the asset classes and investment strategies the Trust employs, including equity and fixed income instruments, derivatives, and private investment funds.

4.1.2 Investment Consultant is and will be at all times during the term of this Contract a practicing investment professional within the financial community.

4.1.3 Investment Consultant will comply with the TRS Code of Ethics for Contractors (the "Code"). Compliance includes signing and dating annual compliance statements as required by the Code. Investment Consultant will sign the Code and return it to the TRS Chief Compliance Officer. The Code is attached to and, its terms, incorporated into this Contract by reference. Investment Consultant acknowledges receipt of a copy of the current Code and agrees that the Board may modify the Code from time to time in its sole discretion.

4.1.4 Investment Consultant represents and warrants that (i) neither Investment Consultant nor any person related to Investment Consultant within the second degree by consanguinity or affinity to Investment Consultant is in violation of the prohibitions affecting participation in, or status as a beneficiary of, directly or indirectly, an investment by TRS or a contract to advise TRS and (ii) Investment Consultant has no direct or indirect pecuniary interest or a relationship (without regard to whether the relationship is direct, indirect, personal, private, commercial, or business), with any TRS employee or trustee or any other party to a transaction with TRS that a reasonable person could expect to diminish the independence of judgment being provided in the performance of Investment Consultant's responsibilities to TRS. Breach of these representations will be grounds for the immediate termination of this Contract, at the option of TRS. Investment Consultant agrees to hold TRS harmless for any costs, expenses, and damages that result from such termination or violation of the prohibited interest or relationship.

4.1.5 The terms of this Contract do not violate any obligations by which Investment Consultant is bound, whether arising by contract, operation of law, or otherwise.

4.1.6 Investment Consultant will promptly, upon execution of this Contract, confirm in writing Contractor's current business and employment status and will notify TRS in writing promptly upon any change in such status, including any change in employment or business or any change in status as a practicing investment professional.

4.1.7 Investment Consultant has never had ethics charges or violations asserted against him by anyone; Investment Consultant has never been sued for any reason relating to Investment Consultant's investment-related activities; Investment Consultant has never been the subject of any investigative action or proceeding relating to Investment Consultant's investment-related activities; and Investment Consultant has never had a professional license or registration suspended, revoked or denied.

4.1.8 Investment Consultant certifies that neither the Investment Consultant nor anyone acting for the Investment Consultant has violated the antitrust laws of the state of Texas, codified in section 15.01 et seq., Texas Business and Commerce Code or the federal antitrust laws.

4.1.9 If Investment Consultant has employees, Investment Consultant agrees that he has sole responsibility for such employees for purposes of discrimination or wrongful discharge claims, unemployment insurance, workers compensation, income and employment taxes, and will hold TRS harmless against any employment-related claims.

4.2. Representations of TRS. TRS warrants and represents to Contractor that:

4.2.1 The terms of this Contract do not violate any obligation by which TRS is bound, whether arising by contract, operation of law, or otherwise.

4.2.2 This Contract has been duly authorized by appropriate action and when executed and delivered will be binding upon TRS in accordance with its terms.

4.2.3 It is understood that Investment Contractor may provide investment advice to, or take investment action on behalf of, other clients and that such advice may differ from recommendations and advice made to TRS.

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Notices, Representatives, and Records Location

Notices, Representatives, and Records Location

1. **Representatives.** The individual(s) named below are the representatives of TRS and Contractor. They are authorized to give and receive communications and directions on behalf of the TRS and Contractor as indicated below. All communications including official Contract notices must be addressed to the appropriate representative or his or her designee.
2. **Changes in Representatives.** Either Party may change its representatives by written notification and updating this form which becomes part of the Contract document.

3. TRS Representatives.

TRS CONTRACT MANAGER (For Contractual Matters)

(For Technical Matters)

(Name)

(Name)

(Title)

(Title)

Teacher Retirement System of Texas

Teacher Retirement System of Texas

4655 Mueller Blvd

4655 Mueller Blvd

(Mailing Address)

(Mailing Address)

Austin

TX

78723

(City)

(State)

(Zip Code)

Austin

TX

78723

(City)

(State)

(Zip Code)

Telephone No.:

Telephone No.:

Email:

Email:

4. Contractor Representatives. For Contractual Matters:

For Technical Matters:

(Name)

(Name)

Contractor

Contractor

(Title)

(Title)

(Mailing Address)

(Mailing Address)

(City)

(State)

(Zip Code)

(City)

(State)

(Zip Code)

Telephone No.:
Email:

Telephone No.:
Email:

5. **Invoice Submittal.** Contractors must use TRS' electronic vendor portal, PAVES, to submit invoices: https://www.trs.texas.gov/Pages/procurement_PAVES.aspx.

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6. **Designated Location for Records Access and Review.** Contractor designates the physical location indicated below for record access and review pursuant to any applicable provision of this Contract:

(Physical Location Address Line 1)

(Physical Location Address Line 2)

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Code of Ethics for Contractors

The Contractor is required to abide by the following signed Code of Ethics (COE) for Contractors. An annual review of this document is required.

Code of Ethics (COE)

This is a placeholder for the approved and signed document.

Release of Claims

TEACHER RETIREMENT SYSTEM OF TEXAS

Release of Claims

_____(Contractor) releases the Teacher Retirement System of Texas (TRS), its officers, agents, and employees from all claims arising out of or relating to TRS Contract Number _____ (Contract), except for Contractor's final invoice in the amount of \$_____ and retainage withheld by TRS (if applicable) in the amount of \$_____. Contractor releases any and all liens related to the Contract, and relinquishes any right it may have to place liens related to the Contract. Contractor warrants that it has completed all Work described in the Contract.

Executed on this _____ day of _____, 20_____.

By: _____

(signature)

(name)

(title)

Confidentiality Policy

Confidentiality Policy

This Contract requires the Contractor to follow [TRS' Confidentiality Policy](#). A copy of the policy is linked for review.

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Confidential Information Procedures and Standards

TRS' Confidentiality Information Procedures and Standards

This Contract requires the Contractor to follow [TRS' Confidentiality Information Procedures and Standards](#). A copy of the policy is linked for review.

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Non-TRS Worker Policy

TRS' Non-TRS Worker Policy

This Contract requires the Contractor to follow [TRS' Non-TRS Worker Policy](#). A copy of the policy is linked for review.

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