

WASHINGTON STATE INVESTMENT BOARD

REQUEST FOR QUALIFICATIONS AND QUOTE #19-01

TANGIBLE ASSETS INVESTMENTS CONSULTANCY

QUESTIONNAIRE

All offerors seeking to be considered to be placed on a roster of consultants available for use by the Washington State Investment Board (WSIB) related to Tangible Assets investment opportunities are required to answer the following questionnaire in its entirety. The WSIB’s Tangible Assets investment sectors generally include infrastructure, agriculture, timber, natural resources (e.g. oil and gas; minerals; water), and other hard assets.

Name of firm:

<p>Tangible Assets investment consulting services: Tangible Asset investment consulting services, include, but are not limited to, providing: due diligence services, asset class and structural analyses, investment manager or partner searches, investment manager or partner evaluations and other due diligence work, as well as consulting and education on industry best practices for the Tangible Assets investment categories or sectors being reviewed by the WSIB directly or indirectly through its existing or potential investment partners. Offerors need not be expert in each of the WSIB Tangible Assets investment sectors, but should identify for which sectors the offeror seeks to be available for use as a consultant.</p>	
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Instructions for Completing Questionnaire:

The following questionnaire must be completed in full. Submitting an incomplete questionnaire will result in your response being considered non-responsive and will not be considered.

Note that a submission must also include the Fee schedule attached at the end of this questionnaire.

Section 1 – General

Organization

1. Briefly describe your firm and its ownership structure.
2. Questions in the following section require a yes, no or N/A (not applicable) response, or a specific percentage where appropriate. If the response is a Yes, please provide a further explanation.

		YES	NO	N/A
2.1	Does your firm, or an affiliate, manage money for clients?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2	Have you ever accepted payment, in any form, from an investment sponsor or money manager who you later included in a recommendation to a client?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.3	Did a percentage of your revenue during the past 12 months come from either direct payments or commissions generated by (1) investment sponsors or money managers who are presently retained by your clients; (2) investment sponsors or money managers who are not retained by any of your clients but who you included in investment sponsor or manager searches; (3) investment sponsors or money managers other than those listed in (1) and (2) who expect or would like you to include them in investment sponsor manager searches for your clients? If the answer is “Yes”, please provide the percentage of such of your annual revenue on a separate sheet.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.4	Have you ever, for a fee, advised an investment sponsor or money manager regarding the best approach to be followed in presenting an investment proposal to your clients?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.5	Does the firm, its affiliates, or the ultimate parent of the firm receive pecuniary or non-pecuniary benefit from investment or money managers for consulting services provided, software sold, attendance at conferences, access to manager databases, or for any other reason?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.6	Does the firm receive fees or some other benefit from a third party for making investment recommendations for a client? If yes, does the firm disclose this fact to the client in advance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.7	Does the firm or employees of the firm invest in investment vehicles or assets that the firm recommends to clients?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.8	Does the firm offer investment products that it also recommends to clients when acting as a consultant?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.9	Does the firm recommend investment management organizations with which it is affiliated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.10	Have you ever made a campaign contribution to an elected official who is positioned, or might prospectively be positioned, to vote on approving your contract with a client?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Describe any significant developments in your organization (changes in ownership, personnel, reorganization, etc.) that have occurred in the past five years (2013 through 2018) and any anticipated to occur in the next year.
4. Please describe the levels of insurance coverage, including amounts of errors and omissions insurance and any other fiduciary or professional liability insurance your firm carries. List the insurance carriers

supplying the coverage. (Should your firm be selected for contract award, we must receive a copy of your current insurance coverages prior to contract execution.)

5. Explain in detail any potential for conflicts of interest which would be created by your firm’s representation of the WSIB. Please include any activities of affiliated or parent organizations as well as other client relationships which may inhibit services to the WSIB.
6. Please indicate the total number of clients **across all mandates** for whom your firm provides consultancy services. Break it down between full services versus project basis
7. Please indicate the composition of your client base **across all mandates** in the chart below. If your current client base is heavily weighted to any particular type of investor, please explain the reason for the emphasis. (Please note that experience providing consulting services to public pension funds is a desirable qualification but not a necessary one.)

Client type	Asset value (\$million)	Number of accounts	Percentage of client base
Public Pension Funds			
Corporate or Private Pension Funds			
Endowments/Foundations			
Defined Contribution Plans			
Sovereign Wealth Funds			
Other (Specify)			

8. Please fill out the following information on your organization in the chart below.

Number of Offices and Locations (please list locations)	Total staff	Tangible Asset Consultants	General or Other Consultants
US Offices			
Other Americas			
European			
Asia			
Other			
Total			

9. Please give details on all client consulting relationships you gained or lost in the last three years. Include name, asset value, and, if terminated, the reason for termination, and if resigned the reason for the resignation. Please provide the contact details for at least one relationship that was terminated, or ended via a resignation. If your firm requires advance notice of the WSIB’s intention to make inquiries, please indicate.
10. Provide a brief description of your firm’s compensation arrangements for senior consulting staff including any incentive bonuses and how and for what they are awarded. Does the senior consulting

staff participate in equity ownership? Are there any other incentive arrangements employed to help retain key professionals?

- Please explain any significant turnover of senior consulting staff over the past three years, including additions and departures. Include name, position, area of expertise or focus, date, and reason for departures.

Section 2—Tangible Asset investments consulting services

- Please indicate which sector or subset and type of tangible asset investments your firm is qualified and can provide services (*yes*) and identify for which it is not and cannot provide services (*no*). Firms do not have to have expertise in all sectors to respond.

WSIB Tangible Asset Sectors	Yes	No	Comments
Agriculture including farmland and timber			
Natural Resources (includes oil and gas assets and minerals and mining assets)			
Infrastructure			
Other tangible assets			
Investment Structures			
Funds			
First time funds			
Funds with unique structures and terms			
Asset level Co-Investments or other direct investments analysis			
Other (Specify)			

- Please indicate the composition of your tangible asset base in the chart below. If your current client base is heavily weighted to any particular type of investor, please explain the reason for the emphasis. (Please note that experience providing consulting services to public pension funds is a desirable qualification but not a necessary one.)

Client type	Asset value (\$million)	Number of accounts	Number of standalone accounts not included in a general consultant account
Public Pension Funds			
Corporate or Private Pension Funds			
Endowments/Foundations			
Defined Contribution Plans			
Sovereign wealth funds			
Other (Specify)			

3. Please provide information on each of the senior consulting professionals you propose to potentially work with the WSIB. **Include a resume for each as well as complete the following table for each:**

Name of senior consultant			Years with firm	
Length of experience in consulting/advising services			Years of consulting experience	
Top three clients assigned	1.	2.	3.	
Specialty expertise				
Education				
Physical Location				

Quality of Due Diligence, Research, Consulting Advice and Innovation

3. Within five pages or less, please describe your experience in tangible asset consulting. Your answer should include detail on your specific experience for the sectors which are marked “yes” in question 1. Please include any other particulars relating to your ability to consult on tangible asset matters.
4. Please describe in three pages or less how the necessary personnel/expertise is organized or assembled to work on a specific consulting project.
5. Describe in general your investment manager, fund or asset evaluation/due diligence process including both quantitative and qualitative processes.
6. Please provide a detailed description of a tangible asset due diligence recommendation recently completed for a client including but not limited to: what tangible assets were involved, how assumptions were developed for those tangible assets, methods of modeling risk and scenarios, and the decision-making process that led to the recommendation.
7. Describe how you interact with clients during the due diligence process.
8. Please provide a list of your firm’s due diligence recommendations in the tangible asset area, written over the past three years, if any and, if so, attach at least one example that demonstrates superior market knowledge, innovative thought, and value added to the ultimate client.
9. Please summarize your firm’s research capabilities in three pages or less. Describe the type of research that could be provided to the WSIB. Through what mediums is it provided? Is your client-specific

research open to all other clients? What research and analytical resources (including databases) does your firm possess that you would be willing to share with the WSIB?

10. Please provide a list of your firm's research reports or white papers in the tangible asset area, written over the past three years, if any and, if so, attach at least one example that demonstrates superior market knowledge, innovative thought, and value added to the ultimate client.
11. What is your firm's competitive advantage as compared with other potential consultant offerors?
12. Please highlight any proof or indication that your consulting services added value to the client and the way(s) in which these projects demonstrate your innovative approach.
13. Please confirm whether your firm produces any capital market or asset class reviews or analysis related to tangible assets each year and, if so, that the product will be made available to the WSIB.
14. Does your firm maintain a tangible asset or investment manager or investment sponsor database? If so, provide a description of the database, the source (external/internal), and the tangible asset sectors the database covers and the criteria for including managers or sponsors in various categories. Please provide the number of managers included (as distinct from the number of individual funds) included in the database for the following sectors: agriculture, infrastructure, and natural resources, as well as any other sectors and identify the sectors in your database.
15. Does your firm have other computer capabilities or products including any customized computer-based analytical tools for your clients?
16. Provide a general description of the seminars or conferences offered by your firm, if any.

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TANGIBLE ASSETS CONSULTANCY
FEE SCHEDULE

Please set forth the bundled hourly rate your firm will use to respond on each discrete project. As a contractor, you would be required to commit to the number of hours necessary to complete such assigned projects. The maximum amount payable for a project would be the number of hours times the hourly rate set forth in your contract.

Personnel type (consultant, administrative)	Bundled Rate (\$/hr)

Additionally, identify what costs are included in your bundled rate identified above.

Un-Bundled Cost Breakout	Rate (\$/hr)

Please set forth any annual fee for direct access to your firm’s proprietary research services or databases (please identify if any of these services may be purchased directly as a subscription outside the standard consulting relationship).

Product	Fee