

**REQUEST FOR PROPOSALS FROM
FINANCIAL ORGANIZATIONS FOR THE PROVISION OF
ACTIVE EMERGING MARKETS EQUITY MANAGEMENT SERVICES FOR THE
DEFERRED COMPENSATION PLAN FOR EMPLOYEES OF THE STATE OF NEW
YORK AND OTHER PARTICIPATING PUBLIC JURISDICTIONS (“PLAN”)**

RFP RESPONDENT QUESTIONS AND ANSWERS

1. We would like to clarify that under our current fee structure our mutual fund does have a Purchase Fee and Redemption Fee. These explicitly reflect likely trading costs associated with fund inflows and outflows only. They do not accrue to the parent company, rather they are paid into/remain in the Fund to offset the unavoidable trading costs of buying and selling underlying securities. They are therefore not the same as a sales load or redemption fee commonly found in many mutual funds. As such, please can you confirm whether this will affect our offer being accepted?

Yes, this is acceptable, though a vehicle that does not have a purchase fee is preferable.

2. We are a Paris-based asset management firm, registered with SEC as an investment advisor. Does this exempt us from the “Application for authorization to do business in New York”? If not, is it possible for us to apply for the authorization once we are selected? If we need to apply for it at the current stage, on the attached application form, it’s requested to fill out the county “within the state of New York in which the office of the corporation is to be located”. Whilst it also says that the corporation is not required to have an actual physical office in this state. Could you please clarify whether we should communicate the county info?

No, you must be duly authorized to do business in the State of New York.

3. For appendix B, questions 18 and 25, as we are not a US company, these two tax-related questions are not applicable to us. Would a signed W-8BEN-E form be sufficient to exempt us from completing the ST-220-TD and the ST-220-CA forms requested in question 18, and to justify our exemption from income taxes under the Internal Revenue Code as requested in question 25?

No.

4. Question about minimum requirement V(A)(vii)(c), cash holdings: We would like to propose our actively managed equity fund focused on emerging markets. It falls in the Morningstar OE Diversified Emerging Markets Equity category and has achieved top quartile returns in this category over the 1-, 3-, 5-, and 10-year periods. The fund’s total expense ratio is 65 bps. While the strategy meets all other minimum requirements, it

does not have a stated prospectus cash maximum, and at times the fund's cash has exceeded 10%. It would otherwise qualify for this search -- just wanted to confirm our interpretation of minimum requirement V(A)(vii)(c). Would such a strategy be considered?

Yes, such a strategy would be considered.

5. Pursuant to the Request for Proposal From Financial Organizations For the Provision of Active Emerging Markets Equity Management Services For The Deferred Compensation Plan for Employees of the State of New York and Other Participating Public Jurisdictions ("Plan"), I am submitting the following question. I would like to confirm that the submission of the Equal Opportunity Policy Statement on letter head does not have to be submitted with the RFP, but prior to the contract being awarded.

Correct, the Equal Opportunity Policy Statement can be submitted prior to the contract being awarded.

6. On page 4 of the RFP, under Product Design Requirements, we would like to clarify NYSDC's definition of extreme biases. What is the tracking error sensitivity to a product classified as extreme biases?

There is no specific tracking error limit but any proposed strategy must be designed to provide broad emerging markets exposure as a standalone investment option in the NYSDC Plan lineup. Per the product design requirements stated in the RFP, the portfolio should have characteristics similar to those of the broader market as represented by the MSCI Emerging Markets Index. Strategies with extreme biases by country, sector, security concentration, investment style, etc. are not appropriate.

7. The requirements indicate that the proposing Active Emerging Markets Equity strategy must have a minimum of \$3.0bn in product assets under management. Would the NYSDCP consider this requirement satisfied by looking at our assets under management across our Emerging Markets Equity franchise which includes India, Asia ex-Japan, China, and Emerging Markets Equity strategies? Our assets across our Emerging Markets Equity franchise are \$4.1bn as of 3/31/2016, and are all managed under the same CIO.

No, assets in distinct emerging markets country strategies (e.g. China, India) cannot be combined to meet the minimum AUM requirement.