<u>Q & A for RFP for Outside Investment Counsel Legal Services 8/21/2026</u>

Expected Annual Workload Mix and Inclusions. For pricing purposes, can CFRS provide an estimate of the anticipated annual volume of engagements by category (e.g., private equity fund reviews, private credit, real estate, infrastructure, co-investments, side letters, continuation vehicles, and other investment-related matters)?

- CFRS cannot provide an estimate of the anticipated annual volume of engagements by category since the number of engagements is dependent on both availability of funds and our changing allocation and pacing plans.
- A guess would one to two dozen(?) of varying categories per year.

Should proposed pricing assume attendance at Board, Committee, and staff meetings (including in-person meetings) as part of the base fee, or should meeting attendance and travel expenses be separately priced?

- You can assume virtual attendance at Board meetings, normally via Zoom or Teams.

Preference for Billing Structure. Does CFRS have a preferred fee arrangement (hourly rates, fixed-fee matters, annual retainer, portfolio pricing, or a hybrid approach), and are alternative pricing structures encouraged as part of the proposal?

- CFRS is open to reviewing all proposed fee arrangements.

Attorney Licensing Requirements. Is it a firm requirement that all attorneys providing advice to CFRS be licensed in California, or is there flexibility if the lead supervising attorney is based in California?

- Please see page five of the RFP: "*The lead attorney and each attorney providing advice to CFRS must be licensed and in good standing with the California Bar to practice law in the State of California*."

Q: Given that CFRS operates as a semi-independent governmental entity and that the two trusts are separate and distinct from the City of Fresno, would it be a conflict of interest to represent a client adverse to the City of Fresno in an unrelated matter?

A: As you note, the two trusts are separate from the City of Fresno and any adversity would be between your client and them, not us.

Q: If the answer to the above question is yes, would CFRS provide an advance waiver to permit the firm to represent clients adverse to the City of Fresno in unrelated matters.

A: it was no, but please take note that CFRS would not do an advance blanket waiver at all.

Q: Please identify any Fresno area governmental agencies, commissions or the like that we need to identify as a client. Does the City of Fresno consider such representation to constitute a conflict?

A: The City of Fresno Retirement Systems; Which are composed of the City of Fresno Employees Retirement System and the City of Fresno Fire & Police Retirement System.

Q: Please identify any investments that CFRS would like us to run for conflicts.

A: https://www.cfrs-ca.org/employee-retirement-system/investments/managers/

Q: Please identify any prospective investment managers, GPs or sponsors that you would like us to run for conflicts.

A: None. Any prospective investments are going through the process with our current Investment Legal firm and are with existing managers or are still confidential.

morning,

1. Please confirm that the service engagement will be limited to CFRS and will not extend to the State of California or any other state agencies or departments.
    a. Yes, per the RFP CFRS is the engaging entity is not the “State of California”.
2. Is it anticipated that, in connection with an engagement for legal services with CFRS, the law firm will be asked to disclose existing representations adverse to other agencies of the State of California? As a large law firm with diverse practices, the firm may represent clients in unrelated matters adverse to other departments and agencies of State of California.
    a. Just CFRS, per the RFP CFRS is the engaging entity not any other entity or generally not the “State of California”.

3. What are the names of the firms currently retained by CFRS for private markets and public markets investment legal services?

   a. Foley-Lardner

4. How many law firms does CFRS expect to engage from this bid process?

   a. One

5. How many private markets investment transactions does CFRS engage in on average per year?

   a. Unfortunately that depends on the year and is a flexible number. My best guess would be one to two dozen at most per normal year.

6. Will CFRS consider supplemental terms or addenda proposed by a successful firm to CFRS' form of agreement?

   a. Agreeing to them would of course depend on the supplemental terms or addenda proposed or added, but yes they will be considered.

7. Does CFRS expect billing rates to be fixed for the proposed 5-year term or subject to periodic adjustment (e.g., annual escalation, matriculation adjustments)?

   a. Please propose the fee schedule you determine to be fair and market level. We would like to see and evaluate all proposals.

   b. I quite literally have no idea what you mean asking about "matriculation adjustments" in this instance since we're not adjusting your graduation requirements.

8. Should rates for all five years be submitted at proposal, and how should firms price any optional extension period(s)? Please confirm the number and length of the extensions contemplated.

   a. Yes.

   b. No. The possible extensions are there as a just in case and are not "counted on".

9. In-person attendance at Board, Committee, and staff meetings is identified as a material selection criterion. How many in-person meetings per year does CFRS anticipate, and does CFRS expect travel time to be non-billed and travel expenses to be absorbed by the firm?

a. Sorry no. The number depends on need. The number of legal evaluations of agreements, co-invests, etc. is fluid depending on market and CFRS then extant pacing plans. We have 12 monthly scheduled Board meetings, with 12 more possible for overflow matters or as needed issues. There are investment legal matters discussed in closed sessions as needed.

b. Please see above. Please propose a fair, market level fee structure that is clear and CFRS Boards will evaluate. Please note that especially since COVID the Boards have accepted Investment legal counsel participation via ZOOM in place of in-person attendance for most meetings. But are you willing and able especially at first to attend our meetings in person?