**Exhibit 2**

**IPOPIF US High Yield Investment Management RFP Questionnaire**

**A. Organization**

1. Provide a brief history of your firm including the year of organization.
2. Describe the ownership structure of the firm, including affiliations, subsidiaries, and employee ownership.
3. Describe any ownership structure changes in the past five years or any impending or planned changes.
4. Has your firm terminated, divested, or otherwise ceased to offer any strategy or product within the past ten years? If so, please explain.
5. Please provide an explanation of any policies/procedures/mechanisms designed to align your interests with those of your clients.
6. Is the firm an Emerging-, MWDBE-, SDVOSB-, or VOSB-owned firm as defined in the RFP? If so, please describe and provide supporting information including relevant certifications.

**B. Professional Staff**

1. Describe the organizational structure of the team(s) responsible for the proposed strategy, including but not limited to: portfolio management, research, trading, and operations. Please identify the geographical locations of the team(s) and descriptions of their role.
2. Please provide biographies for key personnel on the strategy.
3. List and explain the turnover of investment professionals associated with the proposed strategy within the last 5 years.
4. Describe the client service organization, including the people who will service IPOPIF.

**C. Investment Strategy & Process**

1. Please describe the proposed strategy and identify the preferred benchmark. IPOPIF’s policy benchmark is Bloomberg US Corporate High Yield Index, please describe product fit/variance with the IPOPIF index?
2. Please describe your investment philosophy and portfolio construction process for the proposed strategy and any previous/planned changes.
3. What do you believe are key differentiating features and biases of your proposed strategy? What elements do you believe contribute most heavily to your investment success?
4. Please describe the risk/return objectives of the strategy over a full market cycle.
5. Please describe risk control processes and systems.
6. Please provide performance attribution for the last four quarters (individually) and the past 5 calendar years (individually).
7. Please provide your performance and attribution through the full cycle during the following credit stress periods:

|  |  |
| --- | --- |
| 1. GFC (05/2007 - 09/2009),
2. Taper Tantrum (04/2011 - 02/2012),
3. Energy Crisis (05/2015 - 09/2016),
 | 1. COVID-19 (02/2020 - 12/2020),
2. Inflation (01/2022 - 02/2023)
 |

1. Using the template below, please provide asset flows for the past 5 years and provide an explanation for each institutional US high yield account(s) lost.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Flows | 2019 | 2020 | 2021 | 2022 | 2023 | YTD 2024 |
| Firm AUM | Inflow  |  |  |  |  |  |  |
| Outflow |  |  |  |  |  |  |
| Strategy AUM | Inflow |  |  |  |  |  |  |
| Outflow |  |  |  |  |  |  |
| Vehicle AUM | Inflow |  |  |  |  |  |  |
| Outflow |  |  |  |  |  |  |

**D. Trading & Operations**

1. Please describe your trading team, systems, and processes that support the proposed strategy.
2. Do you utilize minority-owned brokerage firms? Please provide an estimate of % at the strategy level (Par Value Traded) and at the firm level. Please provide your process and efforts in increasing utilization of minority owned brokerage firms.

**E. Additional Information**

1. Please provide the additional information requested in Exhibit 6, including a product pitchbook.

**F. Compliance**

1. Is the Candidate compliant with GIPS® Standards? Has the Candidate contracted with an outside firm to conduct a GIPS® verification? If so, please indicate the last verification year and the name of the outside firm.
2. When was the Candidate's last audit by the SEC, DOL, or any other regulatory agency? Please include the month and year.
3. Please explain all findings on the firm's most recent SEC audit, including minor deficiencies. Please attach a copy of the SEC Review findings and firm responses.
4. What are the Candidate's Errors & Omissions (E&O) Insurance, fidelity bond, and Cyber Liability Insurance policy limits in millions?
5. Does the Candidate have a compliance officer? Is compliance the primary role of the person? To whom does the compliance officer report? Please provide your compliance policy and/or procedures.
6. Disclose any actual or potential conflicts of interest that may arise from the firm’s engagement by IPOPIF, including the activities of any affiliated companies.
7. Has the Candidate, any of its affiliates, or any member of its senior management team:
	1. Been the subject of a lawsuit, regulatory investigation, or other proceeding within the last ten years? If yes, please provide complete details and relevant factors. If still open and active, please include any anticipated disposition information.
	2. Been charged with or convicted of a crime, including but not limited to fraud, by the Securities and Exchange Commission or any other criminal or regulatory agency?
	3. Ever filed for any form of bankruptcy protection or expect to file for any form of bankruptcy protection during the next 12 months? Please provide details for any such filings.
	4. Been involved in any labor action or labor dispute? If yes, please provide details and relevant factors. If still open and active, please include any anticipated disposition information.

**G. Cybersecurity**

1. Describe the Candidate’s security environment. Specifically, cover the physical, digital security, and policy measure safeguards in place to control access to portfolio reporting systems and client account information and to secure email, web communications, and mobile devices such as phones, tablets, and laptops. Is your database encrypted? Describe your procedures for data destruction.
2. Do the Candidate’s information technology systems meet or exceed industry best practices related to cyber-security, including but not limited to the U.S. Department of Labor’s Cybersecurity Program Best Practices and the requirements of the State of Illinois Cybersecurity Strategy and the NIST Cybersecurity Framework? If not, explain the details of how your firm is not compliant.
3. Has the Candidate had its security assessed by a third party? If so, when was this last completed and what was the result? If not, will you agree to conduct annual audits?
4. Has the Candidate ever experienced a data security breach? If so, describe the incident and the corrective actions.
5. Describe the Candidate’s disaster recovery and business continuity plans, including back-up capabilities, data backup encryptions, and ability to work from an offsite location. Provide the most recent date and the numbers of times the Candidate has practiced and tested disaster recovery procedures in the past five (5) years, and the results of those exercises.

**H. Supplemental Information**

1. ADV Parts 1, 2A and 2B, if applicable
2. Firm’s most recent SOC 1 or SOC 2 audit report
3. Disaster Recovery Policy and Business Resumption Plan
4. Code of Ethics
5. Valuation Policies
6. Proof of E&O, fidelity bond, and cyber liability Insurance Coverage

**I. References**

1. Please provide the following information for three referenceable current clients and one former client. Public defined benefit plans are preferred.
* Name of institution
* Name, title, phone # and e-mail address for contact person
* Strategy used and inception/termination dates