

Request for Proposals (RFP)

Legal Services

I. Purpose and Intent

This Request for Proposals (“RFP”) is issued by and through the Board of Trustees for the Police and Firemen’s Retirement System of New Jersey (“System”). The System currently owns unit shares in commingled funds, Common Pension Funds D and E. However, because of Chapter 55 of Public Law 2018, the PFRS is soon to own in its own name a number of publically traded securities, including stocks and bonds, as well as alternative investment partnerships. Appurtenant to ownership of these investments, the Board must enforce its rights as a shareholder from time to time. The Board proposes this RFQ for outside counsel if it is selected as lead plaintiff or opts out of a class action, and the Board wishes to have representation on individual claims where there may be the diminution in value of an investment. This shall include both direct litigation, as well as derivative litigation. The purpose of this RFP is to solicit proposals to the Board in any potential class action that its position as shareholder may get it involved in as lead plaintiff, or where the Board has opted out of a class action by lead plaintiff, where there may have been a decrease in the value of an investment. Fees for these services will be exclusively on a contingency fee basis. Interested attorneys or law firms should submit proposals to the attention of Gregory Petzold, Executive Director of the System, with a copy to the Director of Legal Affairs, Robert S. Garrison, Jr., Esq. Proposals must be received by 4:00 p.m., Eastern Standard Time, July 14, 2021.

II. Background

The System is a qualified retirement plan organized and existing under the laws of the State of New Jersey pursuant to N.J.S.A. 43:16A-1 et seq. that serves as the plan for the approximately 40,000 active and 40,000 retired local police and firemen throughout the State of New Jersey. The System is administered by a Board of Trustees (“Board”) consisting of twelve (12) trustees whose manner and method of selection is described in N.J.S.A. 43:16A-13. The Executive Director of the System answers to the Board and is responsible for the day-to-day operation of the System.

III. Questions and Answer Period

The PFRSNJ will accept questions and inquiries regarding this RFP via email or U.S. mail. Written questions shall be emailed to the attention of:

Gregory Petzold, Executive Director
Police and Firemen’s Retirement
System of New Jersey
50 West State Street – 9th Floor
Trenton, NJ 06808
Gregory.Petzold@pfrs.nj.gov

Questions must be submitted no later than 4:00 p.m., Eastern Standard Time, Tuesday, June 29, 2021. The Executive Director will ensure that copies of all timely questions and responses be made available on the PFRSNJ website after June 30, 2021 but prior to the submission deadline of July 14, 2021.

Questions should be asked in consecutive order, from beginning to end, following the organization of this RFP. Each question should begin by referencing the RFP page number and section number to which it relates. Respondents should not otherwise contact members of the Board or the Executive Director directly, in person, by telephone, facsimile, or by e-mail, concerning this RFP.

Contact with the System after the submission of proposals is limited to status inquiries only and such inquiries are only to be directed to the above-named individual. Any further contact or information about the RFP to the members of the Board, the Executive Director or System staff will be considered an impermissible supplementation of the respondent's proposal.

IV. Submission of Proposals Deadline

In order for the System to consider proposals, a respondent's proposals must be received by:

SUBMISSION DEADLINE DATE, TIME AND LOCATION ARE:

<u>Date:</u>	Wednesday, July 14, 2021
<u>Time:</u>	4:00 P.M. EASTERN STANDARD TIME
<u>Location:</u>	POLICE AND FIREMEN'S RETIREMENT SYSTEM OF NEW JERSEY 50 West State Street – 9th Floor Trenton, NJ 08608 ATTN: GREGORY PETZOLD, EXECUTIVE DIRECTOR

Proposals received after this deadline will not be accepted.

The RFP response must be labeled on the outside of the package to clearly indicate that it is in response to the **RFP FOR LEGAL SERVICES, CLASS COUNSEL**. An electronic copy of the proposal must also be submitted as a PDF on a flash drive.

Each respondent must submit **one (1) electronic copy** and **one (1) sealed, complete, original proposal**. Each respondent must also submit **seven (7) sealed, full, complete and exact copies** of the original. It is suggested that the respondent make and retain a copy of its proposal.

V. Scope of Services

The Board of Trustees is about to receive title to the assets from Common Pension Fund D and E from the Division of Investments and the State Investment Council. In so doing, the Board will receive approximately \$30 billion dollars of assets. 66% of those assets are conventional securities, while 33% are alternative investment partnerships. The Board wishes to retain outside counsel, on a contingency fee basis to represent it in class actions, for both direct and derivative lawsuits in shareholder litigation, as well as any claims for its interest as bond holders in which the Board has opted out of the class, and wishes to proceed on its own, or is named as the lead plaintiff of the class. The outside counsel will be employed to review the Board's individual securities holdings, and to determine when such claims should be filed, where there has been a decrease in value of the security held by the Board. The System invites firms to propose to represent the Board in asserting and litigating such claims on a contingent fee basis.

As used in this RFP the term "firm" may include teams of multiple law firms or attorneys. If a proposal is submitted on behalf of a team, complete information should be provided for each team participant.

Proposals should be sealed and should include the following:

VI. Requested Information

Note: information that the proposer considers subject to the attorney-client privilege should be clearly labeled as such in the proposal.

- A. The name, address, and telephone number of your law firm, the names of all attorneys that you expect to assign to provide the representation, and a statement of each attorney's education and experience, with specific attention to the attorney's experience, if any, in securities-related litigation, with an emphasis on class-action litigation.
- B. Describe the efforts that will be required of the System, Board of Trustees and/or Executive Director in support of the securities litigation, and where it will be advantageous to maintain participation in a class action, versus independently suing on behalf of the Board as a securities holder.
- C. Describe the terms and conditions that you propose for your firm's compensation and how costs would be addressed during and after any litigation. If your firm's level of compensation will vary depending on the amount of work done or the stage at which the litigation may be resolved or any other variable or contingency, please specify all possible variables or contingencies and the proposed compensation for each variable or contingency.

VII. Proposal Evaluation

The evaluation of proposals will be performed by an *ad hoc* committee composed of representatives of the Board, the Executive Director and the System's legal advisors.

The committee will consider, at a minimum, the following, as related to the selection of firms qualified to perform legal services for the Police and Firemen's Retirement System of New Jersey:

- A. Specialized experience, proposals and technical competence of the firm, its principals, project manager and key staff.
- B. The capacity, capability and financial ability of the firm to perform the work to conclusion.
- C. Past record and performance of the firm in similar cases.
- D. Fee and cost structure.
- E. Other relevant criteria as may be developed by the Board or the committee.

This RFP does not constitute a commitment by the System or the Board to enter into any agreement or contract, or to pay any costs associated with the preparation of responses, submittals or other documents or any related work by any Respondent. The System reserves the right to interview, or call for a presentation from, any respondent submitting a response. The System also reserves the right to discuss the proposals with any or all respondents. A selection or designation of a successful respondent shall not be construed as an offer of engagement until and unless a contract is fully negotiated and the System may request additional submission of information during the negotiations of the contract. The Board in its sole discretion may select multiple responders, reject any proposal, or cancel this RFQ without further notice.

VIII. Minimum Requirements

The Firms considered should meet the following requirements:

- A. Maintain a professional liability insurance policy of no less than Ten Million Dollars (USD \$10,000,000)
- B. Maintain a cyber-security insurance policy
- C. Have significant experience serving as lead counsel in federal securities litigation cases
- D. Have at least Five (5) years of experience in class action litigation involving

securities

- E. Currently provide securities portfolio monitoring for at least two (2) state retirement systems, with AUM of at least Five Billion Dollars (\$5,000,000,000)
- F. Have tried to verdict at least Five (5) cases in the last Ten (10) years

IX. Presentations

The System reserves the right to require representatives from one or more respondents to personally appear before the committee to make a presentation and answer questions from the committee. It is anticipated that these presentations will take place at the System's offices in Trenton, New Jersey. The System is located at 50 West State Street, Trenton, New Jersey 08608.

X. Revisions to this RFP

In the event that it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum.

All RFP addenda will be issued on the System website. To access addenda, the respondent must locate "RFP for Legal Services" at the following address:

<https://www.state.nj.us/treasury/pensions/>

There are no designated dates for release of addenda. Therefore, interested respondents should check the System's website on a daily basis from time of RFP issuance through RFP deadline date. It is the sole responsibility of the respondent to be knowledgeable of any addenda related to this RFP.

XI. Respondent Responsibility

The respondent assumes sole responsibility for the complete effort required in this RFP. No special consideration shall be given after proposals are opened because of a respondent's failure to be knowledgeable of all the requirements of this RFP. By submitting a proposal in response to this RFP, the respondent represents that it has satisfied itself, from its own investigation, of all the requirements of this RFP.

XII. Contents of Proposals

All materials submitted in accordance with this RFP will become and remain the property of the System and will not be returned.

The System believes that any proposal that you submit is a closed record that the System has no duty to disclose except to the forum court *in camera*, and the System does not intend to disclose your proposal to any third party. However, while this is the System's belief and intention, the System neither warrants nor guarantees that its belief is one that a reviewing court will accept, and the System will follow any direction in the matter that the court may order.

As noted in Section VI of this RFP, proposers should label all material that they consider confidential and/or privileged.

XIII. No Obligation

This RFP in no manner obligates the System or the Board to the eventual purchase of services offered until confirmed by an executed written agreement approved by the Board. Progress toward this end is solely at the discretion of the System and may be terminated at any time prior to the signing of an agreement.

Selection of the appropriate firm, and whether a firm is selected is set within the sound discretion of the Board based upon a majority vote.

Bid Challenges

If a potential bidder wishes to challenge the awarding of a bid in this matter, they must present a written grievance with the Board's Director of Legal Affairs within 5 days of the announcement of the award of a winning bid. Such grievance must clearly articulate why the Board should not have awarded the bid, and must clearly identify procedural problems in how the bid was awarded.

XIV. Termination

This RFP may be canceled at any time and any and all proposals may be rejected, in whole or in part, when the committee determines it is in the best interest of the Class and/or the System.

XV. Nondiscrimination

In connection with the contract resulting from this RFP, the firm agrees that in performing any services resulting from this RFP, neither the firm nor anyone under the firm's control will permit discrimination against any business, employee, applicant, client or subscriber because of race, creed, color, disability, religion, sexual orientation, national ancestry or origin.

XVI. Indemnification

Each respondent, in seeking, receiving, or possessing this RFP and/or in submitting a response, does release, indemnify, and hold the Police and Firemen's Retirement System and its various employees, representatives and agents harmless from and against all claims and demands of any and all loss, cost, damage, or liability of whatever nature, which may be asserted against or imposed against the PFRSNJ as a result of issuing this RFP, making any revisions thereto, conducting this selection process and subsequent negotiations, and making a final recommendation and/or entering into a contract.

The PFRSNJ will have no obligation to indemnify any submitting party for the costs of a bid proposal, nor shall the PFRSNJ have any requirement to indemnify the successful bidder if a contract is awarded. Successful awarding of a contract for these services is contingent upon a fully executed agreement between the parties, governing the attorney-client relationship.