

Questionnaire

General Firm Information (All Products)

1. Firm Name: (please do not abbreviate)
2. Legal Entity ID:
3. CRD#:
4. Names of affiliated or controlling firms:
5. Products actively traded by your firm:
6. Approximate number of total firm employees as of the end of last year? Approximately how many of these employees are in cash equities?
7. Is your firm privately held or publicly owned?
8. If privately held, are there any external owners (individuals or entities outside of the internal management team that own equity in the firm)? Please list the name and title of individuals with an equity stake of 25% or more, and list each named person's percentage of ownership:
9. If privately owned – Do you have D&O and E&O insurance? Briefly describe the levels of coverage for each type of policy:

Trading and Execution Questionnaire

A. Equities

- 1. Contact Information**
 - a. Your Name or Contact Person: (if different from you)
2. Phone Number: (of person above)
3. Email Address for general communications:
4. Email Address for other communications:
- 5. Secondary Contact Information**
 - a. Alternative Contact Name:
 - b. Alternative Contact Phone Number:

6. CalPERS Coverage:

Please list the members of your proposed CalPERS coverage team and titles in the table below and indicate their role. For those in a primary role, please attach bios or resumes.

Team Member Name	Role (Primary or Secondary)	Attached Bio for Those in Primary Role

7. Approximate Percentage of Equity Trading Notional Value:

Estimate your approximate percentage of equity trading notional value in each region as a percent of total global equity trading value:

Region	Percent of Firm Global Equity Trading Value
United States	
Canada	
Developed Europe	
Developed Asia	
Emerging Europe/Africa	
Emerging Asia	
Latin America	
Total (must equal 100%)	100%

8. Markets

Select the following countries you can execute and settle equity trading activity:

a. Developed Markets

- i. Australia
- ii. Austria
- iii. Belgium
- iv. Canada
- v. Denmark
- vi. Finland
- vii. France
- viii. Germany

- ix. Greece
- x. Hong Kong
- xi. Ireland
- xii. Israel
- xiii. Italy
- xiv. Japan
- xv. Korea
- xvi. Netherlands
- xvii. New Zealand

- xviii. Norway
- xix. Portugal
- xx. Singapore
- xxi. Spain
- xxii. Sweden
- xxiii. Switzerland
- xxiv. United Kingdom
- xxv. United States

b. Emerging Markets

- i. Brazil
- ii. Chile
- iii. Columbia
- iv. Czech Republic
- v. Egypt
- vi. Hungary
- vii. India
- viii. Indonesia
- ix. Malaysia
- x. Mexico
- xi. Pakistan

- xii. Peru
- xiii. Philippines
- xiv. Poland
- xv. Qatar
- xvi. Russia
- xvii. Saudi Arabia
- xviii. South Africa
- xix. Taiwan
- xx. Thailand
- xxi. Turkey
- xxii. UAE

9. Breakout of Global Equity Trading Activity

What approximate percentage of your global equity trading activity is executed in a Principal versus Agency fashion?

Type	% of Firm Global Equity Trading Activity
Agency	
Principal	
Total (must equal 100%)	100 %

10. Equity Trade Flow

What is the approximate % breakout of your equity trade flow?

Activity	% of Firm Global Equity Trading Value
Portfolio Trades	
Single Stock Trades	
Special Situations	
Other	
Total (must equal 100%)	100%

11. Amount of Outsourced Execution Activity

What Percentage of your firm's activity is outsourced to another firm (including affiliates)?

Type	% of Firm Global Equity Trading Value
In-sourced	
Outsourced to 3 rd Party	
Total (must equal 100%)	100%

Describe the scenarios that lead to the outsourcing to a third party:

12. Please estimate your approximate percentage of global equity trading value per trading strategy:

Trading Strategy	% of Firm Global Equity Trading Value
Implementation Shortfall	
Over the day (e.g. VWAP)	
Market-on-close	
Other	

13. Do you have any limitations and /or constraints on the notional size or # of orders you can effectively trade in one trading day? If so, please characterize your limitations or constraints:

- 14. Please define your principal execution "sweet spot" that CalPERS should use to benchmark your firm against your peers. Please be as specific as possible and use this as an opportunity to highlight what differentiates your firm. We are defining your sweet spot as the type of trade where you expect to be the most competitive compared to your peers.
- 15. Can you provide timely pre and post trade analytics for all markets you identified as trading in?
- 16. Describe type of analytics and the method of delivery:
- 17. Indicate in the table below if your firm is capable and willing to:

Willingness	Yes	No
Compete at Reduced Commissions		
Commit Limited Capital for Flexibility		
Commit Significant Capital for Principal and Risk-Based Trading		
Facilitate Exercise of Various Corp Actions (Rights, Subscriptions, etc..)		

- 18. Describe your equity derivatives trading capabilities (futures, options, swaps, etc...):
- 19. Describe in detail the value-added services you selected above, in addition to any other value-added services. Please provide as much detail as possible. Examples could include Fundamental Research, Micro-cap Research, Derivatives Strategy and Research, Corporate Action Research, Market Structure Research, Market Intelligence, Index Change Strategy, Quantitative Research, Trade Ideas, Syndicate Access, Trade Facilitation, and Capital Commitment:
- 20. Please describe the OMS/EMS structure that you currently use for equity execution:
- 21. If approved and CalPERS uses your brokerage services, do you agree to conform to CalPERS' broker/dealer requirements for CalPERS' best-execution framework? CalPERS may use a third-party vendor to analyze your firm's performance, including but not limited to transaction cost analysis, venue routing analysis, how well the algorithm performed, and other trends. CalPERS' third-party

would require child-level trade data be provided to the third-party in a specific format and method of delivery, on a frequency determined by CalPERS.

22. Please provide any other relevant details for CalPERS consideration of your firm for equities brokerage:

Compliance and Operational Due Diligence Information (Some Product Specific Questions)

A. Trade Compliance

1. Compliance Systems & Functions

How are trade instructions communicated to the traders (verbal, phone, email, IM, other system)?
Please describe your surveillance/monitoring activities:

2. Have you had any breaches of client guidelines? How were they handled?
3. Are any middle/back - office employees authorized to instruct or execute trades?
4. What is the firm's trade error policy? How are gains/losses treated with respect to trade errors?
5. To whom does the Chief Compliance Officer report to and how large is the compliance team.

6. Reconciliation

Do you reconcile positions to the prime brokers, custodians, counterparties? How often? Is it a manual reconciliation or do you have an automated system?

B. Regulatory and Legal Matters

7. Regulatory

Have you had any regulatory examinations in the past 3 years? Describe your last interaction with a regulatory agency (outside of the ordinary course of business).

8. Are you currently being examined by a regulatory agency? If so, please describe the agency and the scope of the examination.

9. Legal

Have the firm, the management company or key employees had or have any pending litigation against them within the last 3 years? Any criminal convictions?

Operations

A. Settlement

1. What trade matching systems are used?
2. Who confirms trades? How (email, phone, etc.)?
3. OTC confirmation, if applicable (such as DTCC, ICE Link, MarkitWire)?

4. How large is your operations team and are these employees considered full-time employees of the firm (paid directly by the firm), or are they employed as consultants/contractors

Diversity Questionnaire (Optional Questions, All Products)

1. Does your firm qualify as a California Business Enterprise?
 - a. Yes
 - b. No
2. Does your firm have its headquarters in the United States?
 - a. Yes
 - b. No
3. Does your firm have offices in California?
 - a. Yes
 - b. No
4. Does your firm have its headquarters in California?
 - a. Yes
 - b. No

Note that for this and the following questions shareholders and officers who work at a firm are considered employees.

5. Percentage of your firm is owned by its employees:

0-24%	25-49%	50-74%	75-100%
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6. Percentage of your firm is owned by women:

0-24%	25-49%	50-74%	75-100%	Decline to State
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7. Percentage of your firm is owned by Hispanic Americans:

0-24%	25-49%	50-74%	75-100%	Decline to State
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8. Percentage of your firm is owned by Native Americans:

0-24%	25-49%	50-74%	75-100%	Decline to State
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9. Percentage of your firm is owned by African Americans:

0-24%	25-49%	50-74%	75-100%	Decline to State
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10. Percentage of your firm is owned by Asian Americans:

0-24%	25-49%	50-74%	75-100%	Decline to State
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11. Percentage of your firm is owned combining ethnicity, gender and race:

0-24%	25-49%	50-74%	75-100%	Decline to State
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12. Percentage of your firm is owned by Disabled Veteran (DVBE) employees:

0-24%	25-49%	50-74%	75-100%	Decline to State
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Defined Terms

"California Business Enterprise" is defined as: A.i) a business or corporation whose principal office is located in California, and A.ii) a majority of its owners, or officers (if the entity is a corporation) are domiciled in California, or B.i) a business or corporation that has a major office located in California and B.ii) has been licensed by the State (or appropriate local jurisdiction) on a continuous basis to conduct business within the State, and B.iii) has continuously employed California residents for work within the State during the one (1) year prior to submitting this questionnaire.

"Disabled Veteran" for purposes of this questionnaire, is defined as a veteran of the U.S. military, naval, or air service with a service connected disability of at least 10% or more as certified by the United States Department of Veteran Affairs.

Attestation

I attest that the information and responses provided within this questionnaire are accurate to the best of my knowledge as of the date entered below. Please enter your name and date.

Firm Policies

Please attach a copy of your focus report.

Please attach a copy of your allocation policy.

Please attach a copy of your Best-Ex policy.