# APPENDIX A – TRANSITION MANAGEMENT SERVICES QUESTIONNAIRE

### ORGANIZATION AND FIRM PROFILE, TRANSITION MANAGEMENT MODEL

1. **Organization and Firm Profile**
2. Provide a brief overview and history of your firm. Provide an organizational chart.
3. Indicate when your firm began providing transition management services and briefly describe your firm’s background and experience in transition management.
4. Is your firm a parent, subsidiary, or affiliate of another firm? Provide full disclosure of all direct and indirect ownership relationships. To the extent that any of these relationships could result in a potential conflict of interest with respect to your transition manager business, briefly describe the measures taken to mitigate such conflicts.
5. Is your organization a Minority- and Women-Owned Business Enterprise (MWBE)?
6. The Board believes that diversity and inclusivity enriches dialogue and leads to better decision making. Please complete Exhibit F: Diversity Statistics Grid in Excel format (available on Callan LLC’s website).
7. Discuss the financial strength and stability of your firm, including your capital position. Attach a copy of your most recent annual report.
8. Discuss the importance of the transition management business to your firm. Provide in detail the contribution of your transition business to the top and bottom lines of the business unit in which it is located.
9. Disclose what percentage of overall firm revenue is derived from transition management services and what percentage of the firm’s staff is dedicated to transition management services?
10. Describe the material developments in your organization over the past five (5) years that have affected transition management operations, transition management process, or client service, etc. State the year in which these developments occurred.
11. Describe your firm’s approach to continual improvement, particularly with respect to your firm’s investment in systems technologies and trade analytics as they relate to providing transition management services, including trade execution. Provide the total dollar amount spent on technology to support the transition management business over the last three (3) years.
12. Describe compliance policies in place with respect to transition management professionals (i.e., guidelines, procedures, ownership and trading of personal assets and accounts, etc.). Has your firm altered any internal compliance policies or procedures over the past three (3) years? If so, describe how.
13. Discuss and disclose in detail all relationships your firm has with the Plan’s consultant, Callan LLC.
14. Describe any potentially adverse issues or concerns regarding your firm or its personnel that the Plan should be aware of when considering your firm for transition management services.
15. Provide your firm’s current investment advisors ADV Form in electronic format only. Include Part II (Corporate Review and Disclosure) with a current balance sheet.
16. **Transition Management Model**
17. Indicate which of the following best describes your firm’s model for providing transition management services:

Investment Bank \_\_\_\_\_

Asset Management Affiliate \_\_\_\_\_

Broker/Dealer \_\_\_\_\_

Custody Affiliate \_\_\_\_\_

Consulting Affiliate \_\_\_\_\_

Other (please describe) \_\_\_\_\_

1. Discuss the advantages of your firm’s model for providing transition management services.
2. Discuss the disadvantages of your firm’s model for providing transition management services.
3. Indicate whether your firm subcontracts any portion of transition management to a third party. If yes, discuss the relationship and the contractual arrangement.
4. Disclose any potential conflicts of interest that are present in your model. Discuss how your firm ensures that transition management clients are not harmed.
5. Discuss in detail what makes your firm a fiduciary, as defined by the Investment Advisors Act of 1940.
6. Specific to your firm acting as a fiduciary, confirm whether your fiduciary model encompasses the following:
7. Includes at a minimum three (3) options to implement a transition event detailing the risks and costs, advantages and disadvantages for each, and recommendation.
8. Votes proxies during the transition period.
9. Responsibility for mandatory and voluntary corporate actions.
10. Investment discretion and control of the transition/legacy portfolio(s) absent a target portfolio(s).
11. Applies all forms of risk management tools and derivatives (i.e., ETFs, Futures, Swaps, etc.) to manage tracking error and mitigate risk.
12. For both equity and foreign exchange transactions, ensures best execution in the selection and evaluation of broker and counter-party execution outlets whether on an agency or principal basis.
13. Discloses all sources of revenue, including the other side of the trade.
14. Curtails information leakage.
15. Confirms it will not engage in any pre-hedging and front running activities detrimental to the Plan.
16. Discloses all aspects of foreign currency transactions, including all sources of revenue.
17. Accepts and reports using the T-Standard as the relevant measure for Implementation Shortfall.
18. Willing to contract in writing as a fiduciary.
19. Accepts that what is in the best interest of the Plan and its participants and beneficiaries is of paramount importance and may not be aligned with the best interest of your firm.

**If your fiduciary model does not encompass any of the above, please discuss in detail.**

1. Consistent with your proposed method of providing fiduciary services to the Plan, provide at least two (2) examples where your firm has acted as fiduciary.

### TEAM AND EXPERIENCE

1. **Team and Personnel**
2. Does your firm have a dedicated transition management team? If yes, how many dedicated professionals comprise the team? Complete the following table with respect to the individuals comprising the transition management team:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Name** | **Title** | **Responsibility** | **Years of Experience** | **Years with Firm** | **Office Location** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

1. If your firm does not have a dedicated portfolio transition team, explain how it manages portfolio transitions and provide details of the individuals who are responsible for a transition event and their primary responsibilities both during transitions and outside of transition events.
2. Complete the following table with respect to your firm’s transition management resources.

|  |  |
| --- | --- |
| **Functional Area** | **Number of Staff**  **as of June 30, 2022** |
| Trading analysis (pre- and post-trade) |  |
| Transition Strategists |  |
| Transition Portfolio Management |  |
| Trading and Execution |  |
| Transition Support and Custody Interface |  |
| Compliance and Risk Management |  |
| Client Service / Relationship Management |  |
| Sales and Marketing |  |
| Legal Counsel and Support |  |
| All Other (add lines if necessary) |  |
| TOTAL |  |

1. Where within your firm is your transition management group operationally and legally situated – asset management, brokerage, program trading, prime, or securities finance?
2. Does your firm’s transition management business rely on other areas within your firm’s business (e.g. trading)? If so, identify these areas and the roles that they play. Do the professionals in these areas dedicate their time exclusively to the transition team when they become involved in transition activities?
3. If applicable, note whether transition management is separate and distinct from your firm’s program trading arm. Discuss your answer.
4. Where is your firm’s transition management team based? Discuss how your firm manages international trades over multiple time zones. Who oversees the entire trade?
5. How will your firm ensure the availability of its transition management team members when requested by the Plan (i.e. virtual, phone, in- person visits)?
6. How is your firm’s transition management team built to support transitions involving Defined Contribution (DC) plans, including coordination with recordkeepers and custodian banks? Describe the nuances of transition events involving DC plans.
7. Similar to the above, how does your firm support the daily calculation of the Net Asset Value (NAV) in conjunction with the Plan’s recordkeeper and custodian bank during a transition event, including NSCC process? Describe the process and your role.
8. Describe in detail all turnover within your transition team over the three (3) year period ending June 30, 2022. Identify all individuals who have either joined or departed the team during this time period as specified in the table below:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **PERSONNEL TURNOVER** | | | | | |
| Year | Name/Title | Responsibilities | Years at Firm | Reason for Leaving | Replaced by (name/title) |
| Departed: | | | | | |
| 2019 |  |  |  |  |  |
| 2020 |  |  |  |  |  |
| 2021 |  |  |  |  |  |
| 2022 YTD |  |  |  |  |  |
| Joined: | | | | | |
| 2019 |  |  |  |  | |
| 2020 |  |  |  |
| 2021 |  |  |  |
| 2022 YTD |  |  |  |
| SUMMARY: | | | | | |

1. **Track Record**
2. Please submit a distribution chart of the aggregate composite impact of their completed mandates, normalized using Implementation Shortfall (Perold), over the last three (3) and five (5) year periods ending June 30, 2022. We would like to understand the dispersion from the mean between your firm’s pre- and post-trade analysis. Provide the requested information for each of the last three (3) and five (5) year periods ending June 30, 2022.
3. Within the track record distribution chart, delineate by the following:
4. Total Completed/Composite TM Events
5. Equities (U.S. and Global; All Market Cap Range)
6. Fixed Income
7. Multi-Asset Class Mandates

### TRANSITION MANAGEMENT AND DEPTH OF CAPABILITIES

1. **Experience and Depth of Completed Mandates**
2. Describe your firm’s expertise in transitioning the following equity assets: U.S. (Large Cap; Small & Mid Cap), Global Developed (Large Cap; Small & Mid Cap), and Emerging/Frontier Markets.
3. Discuss your firm’s experience in transitioning fixed income assets.
4. Discuss your firm’s experience in transitioning stable income managers within a stable value fund.
5. Discuss your firm’s experience in transitioning portfolios in defined contribution plans, including target date funds, custom blends, stable value, and any other asset classes not already addressed.
6. Are there any asset classes or markets in which your firm is unable to provide transition management services? If so, explain.
7. Does your firm provide temporary investment management services (i.e. interim portfolio management)? If yes, is your firm a registered investment advisor? Discuss your firm’s experience/capabilities in this area and how your firm deploys such services. Describe an example of a transition event that utilized your firm’s temporary investment management services over the last three (3) years ending June 30, 2022.
8. Indicate in the charts below the total number of transitions your firm has performed during the periods noted, including the corresponding volume and round-trip market value. For each of the asset classes, use the legacy portfolio for classification purposes.

**Total Transitions**

|  |  |  |
| --- | --- | --- |
| **Year** | **Number of Transitions** | **Total Market Value**  **(round-trip)**  **($ millions)** |
| 2018 |  |  |
| 2019 |  |  |
| 2020 |  |  |
| 2021 |  |  |
| 2022 YTD |  |  |

**Total U.S. Equities Transitions**

|  |  |  |
| --- | --- | --- |
| **Year** | **Number of Transitions** | **Total Market Value**  **(round-trip)**  **($ millions)** |
| 2018 |  |  |
| 2019 |  |  |
| 2020 |  |  |
| 2021 |  |  |
| 2022 YTD |  |  |

**Total Global Developed Markets Equities Transitions**

|  |  |  |
| --- | --- | --- |
| **Year** | **Number of Transitions** | **Total Market Value**  **(round-trip)**  **($ millions)** |
| 2018 |  |  |
| 2019 |  |  |
| 2020 |  |  |
| 2021 |  |  |
| 2022 YTD |  |  |

**Total Emerging/Frontier Markets Equities Transitions**

|  |  |  |
| --- | --- | --- |
| **Year** | **Number of Transitions** | **Total Market Value**  **(round-trip)**  **($ millions)** |
| 2018 |  |  |
| 2019 |  |  |
| 2020 |  |  |
| 2021 |  |  |
| 2022 YTD |  |  |

**Total Fixed Income (including U.S. and Global) Transitions**

|  |  |  |
| --- | --- | --- |
| **Year** | **Number of Transitions** | **Total Market Value**  **(round-trip)**  **($ millions)** |
| 2018 |  |  |
| 2019 |  |  |
| 2020 |  |  |
| 2021 |  |  |
| 2022 YTD |  |  |

**Total Stable Value Fund Transitions**

|  |  |  |
| --- | --- | --- |
| **Year** | **Number of Transitions** | **Total Market Value**  **(round-trip)**  **($ millions)** |
| 2018 |  |  |
| 2019 |  |  |
| 2020 |  |  |
| 2021 |  |  |
| 2022 YTD |  |  |

1. Indicate the total number of transition management events completed over the last three (3) years ending June 30, 2022 in the following table:

|  |  |  |
| --- | --- | --- |
| **Market Value Size (round-trip)** | **Number of Transitions** | **Total Market Value**  **(round-trip)**  **($ millions)** |
| Less than $100 million |  |  |
| $100 million to $500 million |  |  |
| $500 million to $1 billion |  |  |
| $1 billion to $3 billion |  |  |
| Greater than $3 billion |  |  |

1. Indicate the total number of transition management events completed for Defined Contribution plans over the last five (5) year period. Including Year to Date ending June 30, 2022 in the following table:

|  |  |  |
| --- | --- | --- |
| **Year** | **Number of Transitions** | **Total Market Value**  **(round-trip)**  **($ millions)** |
| 2017 |  |  |
| 2018 |  |  |
| 2019 |  |  |
| 2020 |  |  |
| 2021 |  |  |
| 2022 YTD |  |  |

1. What is the total number of transitions completed for Public Fund clients during the three (3) year period ending June 30, 2022? Specify the client name, corresponding market value of assets, and portfolio mandate:

|  |  |  |  |
| --- | --- | --- | --- |
| **Client Name** | **Asset Size** | **Asset Class Mandate** | **Was your Firm Contracted and/or Acted as a Fiduciary?** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

1. Describe the largest and most complex transition your current portfolio transition team has completed for a plan similar to NYSDCP or other defined contribution plans over the last three (3) years ending June 30, 2022.
2. Describe five (5) critical “lessons learned” and/or factors that the Plan should know about borne out of transition events completed by your firm that involved plans similar to the Plan?
3. Discuss your firm’s experience working with the Plan’s trustee custodian, Bank of New York Mellon. Cite up to two (2) transitions in which you worked with Bank of New York Mellon.
4. **Program Management**
5. What distinguishes your firm’s transition management services from the services provided by its competitors?
6. Describe your firm’s methodology, process, and the systems used to determine the optimal transition strategy on a pre-trade basis, as well as during a transition event. What is the toolkit under your firm’s disposal to effectuate transitions – analytics, proprietary applications, risk systems, trading platforms, etc.?
7. Discuss your firm’s approach to tracking error. How is it defined? How does it influence the transition strategy?
8. How does your firm use derivatives and synthetic instruments or transactions to manage risk during a transition? Indicate usage and expertise in the areas of liquidity, beta tracking, risk hedging, exposure management, and/or opportunistic motivations.
9. Discuss the unique characteristics and issues associated with transitioning non-U.S. equities, including foreign currencies. Based on your firm’s experience, enumerate specific countries that can be problematic to any transition.
10. Does your firm have a risk and compliance team that monitors the transition process? Describe the risk and compliance process, including where the risk and compliance employees reside within the firm and to whom they report.
11. Other than the transition management team, what other groups within your firm have access to transition trade-related data? How do you maintain the confidentiality of and protect information provided by the Plan, its custodian, third parties, and its investment managers to your firm, affiliates, and business partners?
12. Describe how your firm maintains market exposure for a specific asset class during a transition.
13. Describe how your firm manages the operational risks associated with transitions, such as settlement failure.
14. How does your firm ensure the confidential treatment of information related to a transition? Discuss all steps taken to eliminate information leakage to external and internal sources.
15. **Liquidity**
16. Discuss the sources of liquidity to which your firm has access for transitions containing equities and fixed income securities.
17. Provide your firm’s definition of a “dark pool.” Identify internal and external “dark pools” that your firm would deploy for crossing purposes and to minimize trades. How can your firm assure that the above “dark pools” do not disadvantage the Plan and is consistent with acting as a fiduciary and providing full disclosure.
18. Specific to the “dark pools,” what is the average USD size over the last year ending June 30, 2022? Are the “dark pools” sub-divided into domestic equities, international equities, foreign exchange, and fixed-income?
19. If your firm maintains and/or has access to an internal crossing network, identify and describe these networks. Specifically, address the types of order flow that your firm has access to in such networks, the price at which trades are executed, whether your firm is entitled to any compensation for trades executed on this network, whether it is a real-time crossing network or a periodic (once a day / twice a day) crossing, and anonymity of client orders.
20. What are benefits and the potential risks of implementing trades through the crossing networks? How does your firm mitigate and manage these risks?
21. Specify the percentages for each source of liquidity noted below for transitions completed for the past three (3) years ending June 30, 2019:
    1. In-kind transfers
    2. Internal crossing
    3. External crossing
    4. Agency trades
    5. Principal trades
22. **Trading and Execution**
23. Describe how your firm would execute foreign currency transactions.
    1. When does your firm execute foreign currencies during a transition (around the benchmark or throughout the trade)? Why?
    2. Will your firm execute foreign currencies on an agency or principal basis during a transition?
    3. Discuss the number of venues and potential quotes that your firm is able to access to ensure competitive foreign exchange rates.
    4. With respect to foreign exchange, what does your firm consider to be an appropriate benchmark(s) for evaluating currency transactions that are part of the transition?
    5. Discuss if your firm provides time-stamp information on foreign currency transactions.
    6. When providing a post-trade performance measurement of the transition, will your firm separately identify the component of performance specific to foreign exchange transactions? Provide an example.
24. Describe your firm’s capabilities in managing transition events involving international equities, especially emerging and frontier markets. What problems does your firm typically encounter when transitioning emerging market equities? How does your firm balance operational, risk management, and/or trade execution challenges?
25. Does your firm utilize outside brokers to execute portions of a transition (i.e. international equity or less liquid small-cap U.S. equity) as opposed to going directly to the local exchanges? If so, specify the circumstances of when your firm would use an outside broker and provide a list of these brokers by asset class. In addition, provide any ongoing monitoring or quantitative assessment that is completed on your firm’s universe of brokers to ensure best execution in the various markets and sectors.
26. Describe your firm’s capabilities in fixed income transitions including, if any, individuals who are dedicated to fixed income transitions along with a description of their experience. Explain how your firm can add value to a fixed income transition and how trading costs are estimated in a pre-trade for fixed income transitions.
27. How does your firm manage derivatives and/or synthetic instruments (including TBAs) embedded within a portfolio to be liquidated, including collateral management accounts? What is the tracking mechanism for such instruments?
28. How does your firm handle high-yield securities, bank loans, and other collateralized synthetic fixed-income instruments? How does your firm address 144a securities as well as true private securities?
29. Is your firm able to handle transitions involving leverage, private equity, market neutral, long-short portfolios, structured notes, and other alternative investment strategies, including fund of funds structures? Describe your firm’s distinct capabilities and experience in unwinding such complex portfolios.
30. Does your firm have any experience with transitions involving securities that are out on loan (securities lending)? How does your firm ensure that securities being liquidated are not out on loan? Describe your process of assessment specific to recall procedures, tracking impairment of the cash collateral, gating or redemption restrictions, and how to avoid triggering the realization of losses. Describe how your firm can demonstrate best execution and how duration will be managed during transition.
31. Explain how corporate actions are monitored during the transition period.
32. Who typically votes proxies during transitions, your firm or the client? Please explain your firm’s approach and policy.
33. Describe your firm’s process for communicating and coordinating activities among all applicable parties including the client, custodian, and legacy and target managers. Who at your firm will have overall responsibility for coordinating the transition?
34. Does your firm have a pre-vetted list MWBE brokerages that you utilize for transitions? If available, please provide any stated policies that your firm has around the inclusion of MWBE brokerages in your program.
35. Describe your firm’s philosophy for measuring the success of a transition. Discuss the benchmarks preferred by your firm when evaluating the performance of a transition.
    1. Discuss how your firm evaluates the effectiveness and efficiency of your trading activities.
    2. What is your firm’s policy around “best execution” for transition management mandates? How does your firm measure “best execution”?
    3. Is Trade Cost Analysis (TCA) provided as part of the post-trade analysis or report? Who is/are the service provider(s) your firm utilizes for TCA measurement?

### 4. ANALYTICS AND REPORTING

1. **Pre-Trade and Post-Trade Reports**
2. Discuss in detail your firm’s pre-trade analysis of a planned transition.
3. Discuss in detail your firm’s post-trade analysis and reporting of a transition.
4. Define all measurement methodologies (i.e. implementation shortfall, market on close, VWAP).
5. Provide a sample pre-trade and post-trade report for a defined contribution transition event that your firm has completed over the last three (3) years.
6. Describe in detail the models and methodology utilized to estimate the costs – both explicit and implicit – that comprise a transition event’s total cost.
7. Specify whether your firm is able to provide real-time access for clients and/or managers to monitor trading activity during a transition. If real-time access to trading activity is available, please provide us with access to and/or a demonstration of the application.
8. **Disclosure Requirements**
9. Execution Disclosure – Is your firm able to accept and agree in writing to the following execution disclosure requirements? If your firm is unable and/or unwilling to agree in writing to any part of this disclosure, please explain why.
   1. Unless specifically requested and agreed to otherwise, the Transition Manager will act only in an agency capacity at a firm level for all security and currency transactions. Transactions booked to the Plan will be booked on an agency basis and any inter-company or affiliated transactions of the Transition Manager will also be conducted on an agency basis.
   2. Upon request, date and time stamped data will be provided for all transactions of securities and currencies.
   3. If the Transition Manager has been specifically authorized to transact for the Plan in a principal capacity, the Transition Manager will not engage in any pre-hedging type activities unless specifically authorized to do so by the Plan.
   4. The Transition Manager will disclose all sources of revenue generated by itself and/or any of its affiliates in conjunction with the use of, or transactions in, the Plan’s assets. These revenues could include, but are not limited to:
      1. Commissions generated by the Transition Manager and/or its affiliates from the counterparties of the Plan’s transactions, both in terms of the cumulative amount (as a % of notional value) of activity crossed internally and the average commission level generated from such transactions.
      2. Any realized profit or loss at the culmination of the transition to the Transition Manager and/or its affiliates as a result of securities and/or currency transactions affected in a principal capacity.
      3. Any unrealized profit and/or loss to the Transition Manager and/or its affiliates as a result of securities and/or currency transactions affected in a principal capacity. The mark to market for these open positions shall be as of the close of the day of the last transaction of the transition event.
      4. All revenue sharing agreements and/or payments for order flow agreements with affiliates and/or outside parties.

### 5. REVENUE SOURCES AND FEES

* + 1. **Proposed Fees and Contingencies**

1. What is your firm’s proposed fee or rate for transition services within the context of what the Plan is trying to accomplish? Complete the following table.

|  |  |
| --- | --- |
| **Market** | **Cents Per Share**  **Or Basis Points** |
| U.S. Equities (e.g., Large, Mid, Small Cap) |  |
| Non-U.S. Developed Equities |  |
| Emerging and Frontier Markets |  |
| Foreign Exchange |  |
| Fixed Income |  |
| Asset Allocation (e.g., TDFs, Balanced, Risk-Based) |  |

* + 1. **Explicit and Implicit Fees**

1. What factors does your firm consider when determining its fees (trading volume, frequency of trades, trade difficulty, etc.)? Are the fees negotiable?
2. Specific to your firm’s fiduciary/discretionary transition management capability (i.e. interim portfolio management), what is the cost or asset management fee associated with such a service? Describe how the length or complexity of a discretionary transition management service (e.g. temporary tracking portfolio assignment) would impact the cost or asset management fee. If there is no explicit charge, is it included in the cents per share or basis points fees identified in the previous table above?
3. Identify and define in detail all costs associated with a transition, both explicit and implicit. Provide sample calculations and measurements.
   * 1. **Sources of Revenue**
4. Provide a listing of all sources of revenue for your firm when conducting a transition. Include commissions, markups, and foreign exchange in addition to all other revenue sources. Does your firm earn/receive revenue during a transition for the following:
   1. By trading foreign exchange? \_\_\_\_\_
   2. From internal crossing? \_\_\_\_\_
   3. By acting in a principal capacity? \_\_\_\_\_
   4. From an affiliate who acts in a principal capacity? \_\_\_\_\_
   5. From order-flow payment or exchange rebates? \_\_\_\_\_
5. Disclose and provide a detailed listing of the amount of revenue received during transitions from all of these sources for the three (3) year period ending June 30, 2022.
6. Does any other part of your firm (including affiliates) benefit from transition management revenues?
7. What are the costs and fees associated with your firm’s “dark pools” of assets?
8. How is your firm able to achieve zero to low cost execution either through internal crossing networks or external crossing networks? Does your firm have the requisite Department of Labor (DOL) allowable cross or some other exemption or statutory guidance? Provide all costs associated with both internal and external crossing transactions.
9. Explain the use of soft dollar arrangements within your transition management business? Is your firm able to manage and meet the requirements of MiFID II?

### 6. COMPLIANCE, DISCLOSURES, AND CONFLICTS OF INTEREST

* + 1. **Audit and SSAE 18**

1. How many audits are completed for the transition management business and how often?
2. Does your firm have a SSAE 18 (SAS 70) on the General Operations and Process Controls of the Transition Management program?
   * 1. **Code of Conduct, Controls, Compliance Procedures and Policies**
3. Discuss your firm’s code of conduct for transition management employees.
4. Describe the controls in place for personal trading and training required for each employee with regard to compliance procedures and policies.
   * 1. **Fidelity Bonds and Errors & Omissions Insurance**
5. Describe your firm’s level of coverage of SEC-required fidelity bonds and errors and omissions insurances. Are these levels in excess of SEC requirements?
6. List any additional insurance your firm has to indemnify transition management clients against losses.
   * 1. **Litigation, Enforcement Actions**
7. Please disclose any discipline and/or sanctions levied by the SEC, NASD, or any other regulatory authority against your firm within the last five (5) years.
8. Disclose all litigation and arbitration hearings (and their status or resolution) involving your firm within the last five (5) years. Specifically highlight litigation and arbitration hearings specific to your firm’s transition management services.
9. Has your firm been subject to any major enforcement activities by federal or state regulators during the last three (3) years? Major enforcement activities include any fines and/or penalty fees paid at the firm level more than $5 million for any single instance to government agencies and/or used to reimburse investors, fund shareholders, or other affected parties, including but not limited to, profit disgorgement, civil fraud charges, and other settlements. If yes, provide an explanation for each major enforcement activity.
10. Has your firm been involved in any significant litigation related to transition management activities during the last three (3) years? Significant litigation includes any pending litigation (pending litigation defined as any claim more than $50 million), lost litigation, and/or settlements over $5 million for any single instance. If yes, provide an explanation for each significant litigation.
11. Is your firm familiar with the Foreign Corrupt Practices Act (FCPA)? Does your firm comply with FCPA? Have your firm, personnel, subsidiaries, or any business partners violated the FCPA to effectuate transition management activities?