

The following are LACERA's responses to all the written questions received by the September 12, 2017 deadline concerning the Request for Proposals to provide securities class action claims filing audit and services issued on August 30, 2017.

Question 1: Would LACERA be able to provide your last 3 to 5 years of recoveries from class action settlement claims disbursed?

Yes. LACERA's annual recoveries from securities class actions from 2001 through 2016, which includes those obtained as a passive class member, as a court-appointed lead or named plaintiff in a class action, or by opting out and bringing an individual action, are as follows.

Year	Recovery	Year	Recovery
2001	\$ 4,517,547.94	2010	\$ 3,722,892.78
2002	\$ 2,261,807.59	2011	\$ 3,389,833.73
2003	\$ 4,169,433.87	2012	\$ 1,674,197.34
2004	\$ 2,864,029.34	2013	\$ 3,734,841.01
2005	\$ 1,684,734.35	2014	\$ 2,427,465.00
2006	\$ 20,734,575.09	2015	\$ 2,127,080.76
2007	\$ 6,335,155.06	2016	\$ 2,189,274.71
2008	\$ 3,513,037.39	Total	\$ 68,783,053.72
2009	\$ 3,437,147.76		

Question 2. What is LACERA's current asset allocation? What percentage of your equity holdings are held in commingled investment vehicles?

As of August 31, 2017, LACERA's asset allocation was as follows:

U.S. Equity	24.3%
Non-U.S. Equity	25.0%
Private Equity	9.4%
Fixed Income	23.6%
Cash	1.5%
Real Estate	11.3%
Hedge Funds	2.7%
Commodities	2.2%
Total	100.0%

As of August 31, 2017, LACERA's commingled investments comprise 80% of its public equities (U.S. and Non-U.S.) portfolio.

Question 3. Has LACERA acted as Lead Plaintiff or Opted Out of a general class to take Direct action (in addition to *In Re: Bank of New York Mellon Corporation Foreign Exchange Transactions Litigation*?)

Yes. Since 2001, LACERA has taken an active role in the following securities-related actions as either a court-appointed lead or named plaintiff in a class action, or by opting out and bringing an individual action.

- In re Enterasys Networks, Inc. Securities Litigation.
- In re Citigroup (Focal Communications, Inc.) Securities Litigation.
- In re Bank of America (Merrill Lynch RMBS) Securities Litigation.
- In re Adelphia, Inc. Securities Litigation.
- In re Worldcom, Inc. Securities Litigation.
- In re Semi-Tech Litigation L.L.C.
- In re Safety Kleen, Inc. Securities Litigation.
- In re Brooks Automation, Inc. Securities Litigation.
- In re King Pharmaceuticals, Inc. Securities Litigation.
- In re BP Securities Litigation.
- In re LIBOR Antitrust Litigation.
- In re Royal Imtech Securities Litigation.
- In re Credit Default Swaps Antitrust Litigation.
- Starr International Co., Inc. v. United States.

Question 4. Has LACERA filed to participate for any Opt In Global class actions? If so would you be able to provide what International jurisdictions they were located?

Yes. In re Royal Imtech Securities Litigation (the Netherlands).

Question 5. What were the dates of the conversion between custodians?

Effective July 1, 2013, State Street Bank and Trust Co. (“SSB”) replaced BNY Mellon (“BNY”) as master custodian for LACERA.

Question 6. You mentioned St Street, BNY and possibility a third custodian – who is the third and when was that conversion date?

SSB and BNY are the only firms to serve as master custodian for LACERA during the period relevant to the services called for under this RFP.

Question 7. Will they/you be providing the data going back to 2007 or do you expect us to get directly from the custodians?

All data and reports reasonably necessary to perform the claims filing audit and services called for under this RFP will need to be obtained from LACERA’s current and former master custodians, SSB and BNY, respectively. LACERA will assist in obtaining this data from SSB and BNY and facilitating the transfer to the firm(s) retained to perform these services.

Question 8. Many custodians charge for data beyond 2 years. Who will be responsible for the cost if there is any?

If SSB and/or BNY charge a fee to provide the data reasonably necessary to perform the claims filing audit and services called for under this RFP, LACERA will cover this cost. However, LACERA will not be responsible for any costs (beyond what is agreed between LACERA and firm(s) engaged to perform the services called for under this RFP) that may be incurred by the

firm(s) in order to receive or process this data, which may include, but is not limited to, reviewing, converting, storing, or securing, etc.

Question 9. Who will be providing the report that suggests everything they had filed, date filed and the awards received etc.

See LACERA's response to Question No. 7.

Question 10. Who is filing for you today (domestic and internationally)?

For domestic cases, SSB files claims on behalf of LACERA for those cases where the class period is wholly or partially *after* SSB was engaged as LACERA's master custodian (July 1, 2013). For actions where the class period is wholly or partially before SSB's engagement, LACERA's former custodian BNY files claims on behalf of the fund. For non-U.S. cases, LACERA's relies as needed on its securities class action monitoring counsel to file claims in those cases where the fund elects to participate.

Question 11. Why are you seeking an alternative to the existing process?

The Legal Office regularly evaluates LACERA's securities litigation monitoring firms and other vendors to ensure the fund is receiving the best possible and most cost-effective assistance and representation in this area. In this connection, the Legal Office typically issues a request for proposals every three to five years to identify, evaluate and select qualified firms. Since it has been four years since SSB began performing securities class action claims filing services for the fund, the Legal Office issued this RFP to identify and evaluate firms to provide this service. Also, since it has increasingly become a common and good practice to conduct an audit of the claims filing function to identify and address any possible errors and/or omissions that may have occurred, we also included a look-back audit as part of the scope of work in the RFP. Note that LACERA's interest in performing an audit of past claims filing is not the result of any finding or belief that errors or omissions have occurred. Moreover, because SSB only files claims in those cases where the class period at issue in the lawsuit is *after* it was engaged as LACERA's custodian, the fund continues to use BNY under a separate agreement to file claims in securities actions with class periods prior to SSB's engagement. LACERA is therefore interested in the possibility of retaining one vendor to file all claims, regardless of the class period at issue. We believe this will result in greater efficiencies and cost savings for the fund, and will avoid the potential for inconsistent or inaccurate filings in cases where the class period overlaps SSB's engagement date. Finally, as the number of antitrust and foreign actions and settlements resulting therefrom seem to be increasing, LACERA is interested in making sure that it continues to identify and file claims in these types of cases as well.

Question 12. What would you like to see done differently?

See LACERA's response to Question No. 11.

Question 13. What is your preference on pricing - contingency, flat fee or hybrid?

LACERA will consider and weigh the merits of both cost models as part of our overall evaluation process.

Question 14. In order to properly conduct the audit and provide claims filing services, we will need as much historical trade history (positions and transactions) as possible. How far back can LACERA produce its trade history from State Street Bank and Trust Company, Bank of New York/Mellon and predecessors?

SSB has data and reports for LACERA going back to their engagement in July 2013. We are not sure how far back we can go with BNY, but LACERA believes it can obtain the data reasonably necessary to perform both the claims filing audit and services from SSB and BNY for the period relevant to this RFP and facilitating the transfer to the firm(s) retained to perform these services.

Question 15. What is the timeline of LACERA's custodians? For example, how much trade history is with State Street, Bank of New York/Mellon and LACERA's predecessor custodians?

See LACERA's response to Question Nos. 5 and 14.

Question 16. Who are LACERA's predecessor custodians and how much of LACERA's trade history do they hold?

See LACERA's response to Question Nos. 5 and 14.

Question 17. What is the format of the trade history that will be provided by LACERA's custodians? Text files, csvs's, excel spreadsheets, PDF's?

We understand that SSB can provide the file in any commonly used format, including CSV, Excel and PDF.

Question 18. Will LACERA have multiple subaccounts in its trade history or will everything be included in one master account or fund? If the former, are LACERA's subaccounts consistent with all the custodians in question? If not, will LACERA be able to provide subaccount conversion tables from one custodian to the next?

LACERA has multiple subaccounts, and can provide a list of account conversions from BNYM to SSB.

Question 19. Once we retrieve all of LACERA's historical trade data, we will need to establish a protocol to receive ongoing data updates. Would LACERA support our efforts to set up a daily feed with State Street, so we receive LACERA's positions and transactions on a daily basis?

To the extent this function is available and supported by LACERA's current and/or future custodians, LACERA will assist in obtaining daily feed access as requested and reasonably necessary by the firm(s) selected to perform the services called for under this RFP.

Question 20. Will LACERA provide a report to us listing all the claims LACERA has filed with a claim filing deadline of January 7, 2007 and later?

See LACERA's response to Question No. 14.

Question 21. In addition to receiving all of LACERA's comprehensive trade history from the custodians, will LACERA provide to us the actual claim data that it sent to the administrators for all the claims filed since January 7, 2007?

To the extent this data is available, LACERA will assist in requesting and obtaining it from SSB and BNY as requested and reasonably necessary by the firm(s) selected to perform the services called for under this RFP.

Question 22. For cases that we identify where we still may be able to file a late claim for LACERA, does LACERA have any criteria for which claims to pursue? For example, is there a minimum amount of recovery before pursuing a late claim? Should we only consider cases that have not distributed yet? Or do you want us to pursue any and all claims regardless of amount of recovery or the distribution status of the case?

Although LACERA expects to pursue any and all claims regardless of amount of recovery or the distribution status of the case, LACERA anticipates working with the firm retained to perform this service to assist in evaluating and developing criteria with regard to this issue.

Question 23. The RFP states that LACERA recovers millions of dollars every year through its class action claim filing process. Can you be more specific? What has been LACERA class action receivable for the last few years?

See LACERA's response to Question No. 1

Question 24. How many claims has LACERA filed in the last few years?

See LACERA's response to Question No. 1

Question 25. When LACERA files its claims, does it file under one master account or for the fund as a whole? Are LACERA's claims broken down by subaccounts? If so, how many subaccounts does LACERA have?

Claims are filed for LACERA at the investment manager or subaccount level. LACERA's claims are broken down by subaccounts. LACERA currently has 111 subaccounts.

Question 26. Does LACERA file foreign claims and antitrust class action claims? If so, does LACERA want us to audit and file these types of claims moving forward?

Yes, LACERA has filed claims in connection with antitrust class actions and foreign actions. To the extent this data is available from SSB and BNY, LACERA does expect that the firm retained to perform the claims filing audit will include these types of claims. We also expect that the firm retained to perform the claims filing service will include these types of claims as well. In this connection, see LACERA's response to Question No. 11.

Question 27. If the answer is yes to Question 26, will LACERA provide a list of all foreign claims and antitrust claims filed? Will LACERA provide all of its foreign positions and transactions, non-security position and transactions and the actual claim data that was submitted in those foreign and antitrust claims as well?

To the extent this data is available from SSB and BNY, LACERA will assist in obtaining all data reasonably necessary to perform both the claims filing audit and services from SSB and BNY for the period relevant to this RFP and facilitating the transfer to the firm(s) retained to perform these services.

Question 28. How many full time employees are devoted to filing and managing your class action claims?

LACERA's securities class action claims filing-related services are currently performed externally by SSB and BNY.

Question 29. What is your current cost devoted to your class action process?

Under LACERA's custodial agreement with SSB, securities class action claims filing-related services are included in the scope of work and overall annual fee for custodial services. Under its agreement with BNY, LACERA pays 2% of each claim recovery.

Question 30. In the Evaluation Criteria section, the RFP states that "Factors other than those listed may be considered by LACERA in making its selection". Can LACERA provide an example of other factors we should be aware of, in addition to the factors listed in the RFP?

Examples of other factors LACERA may consider include, but are not limited to, respondent's overall success, reputation and specialization in providing the services called for under this RFP, respondent's preparedness, performance and operational capabilities as demonstrated in connection with interviews, presentations and onsite due diligence visits, if any, and respondent's ability to demonstrate its commitment and ability to keeping LACERA's data safe and secure, etc.