

**Request for Proposals  
To Provide  
Investment Consulting Services for the  
Alberta Local Authorities Pension Plan Corp.**

Issued by:  
Alberta Local Authorities Pension Plan Corp.

Solicitation No.: 2017-Investment-LAPP

Date of RFP Issue: July 28, 2017

Closing Date for submission: no later than 3:00 p.m. MST, **September 15<sup>th</sup>, 2017**. Any proposals or proposal revisions received after the submission deadline will not be accepted and will be returned unopened. Fax submissions will not be accepted.

All proponents must include five (5) hard copies and one (1) electronic version of their proposals as part of the submission.

Contact: Mrs. Gosia Talanczuk  
Vice President, Investment Policy and Risk Management  
Alberta Local Authorities Pension Plan Corp.  
Suite 1202  
10250 101 Street  
Edmonton, AB T5J 3P4

Questions on the RFP should be forwarded by email to [feedback@lapp.ca](mailto:feedback@lapp.ca) no later than August 11, 2017 and should include the RFP solicitation number in the subject line. Responses to all questions will be provided on the Alberta Purchasing Connection website no later than August 18, 2017.

Parties who will be responding to this RFP are asked to complete and submit the form attached as Appendix A.

Please use the above RFP solicitation number on the envelope and include the RFP description and number on all related correspondence.

## TABLE OF CONTENTS

### TABLE OF CONTENTS

<b>1. General</b> .....	1
<b>1.1 Purpose</b> .....	1
<b>1.2 Key Dates</b> .....	1
<b>1.3 Contact</b> .....	1
<b>1.4 Short-list and Presentations</b> .....	1
<b>1.5 Agreement on Internal Trade (AIT) and New West Partnership Trade Agreement (NWPTA)</b> .....	2
<b>1.6 Terms and Conditions</b> .....	2
<b>2. Background</b> .....	3
<b>2.1 Profile of the Local Authorities Pension Plan</b> .....	3
<b>2.2 LAPP Governance Profile</b> .....	3
<b>2.3 LAPP Strategic Objectives</b> .....	4
<b>3. Service Requirements</b> .....	5
<b>3.1 Services to be Provided</b> .....	5
3.1.1 <i>General Investment Consulting Services and Enhancing Board Knowledge</i> .....	5
3.1.2 <i>Quarterly Monitoring of Investment Performance</i> .....	6
3.1.3 <i>Annual Comprehensive Evaluation Report</i> .....	7
3.1.4 <i>Annual Review of Investment Policy and Strategy</i> .....	7
3.1.5 <i>Asset Liability Modeling Study</i> .....	8
<b>3.2 Facts and Assumptions</b> .....	8
<b>3.3 Qualifying Criteria</b> .....	9
<b>4. Submission Guidelines</b> .....	10
<b>4.1 Proponent Profile and Qualifications</b> .....	10
<b>4.2 Innovation</b> .....	11
<b>4.3 Confidentiality and Quality Assurance</b> .....	11
<b>4.4 Contract</b> .....	11
<b>4.5 Submission Format</b> .....	12
<b>5. Evaluation Criteria</b> .....	12
<b>5.1 Mandatory Criteria</b> .....	12
<b>5.2 Preferred/Qualitative Evaluation Criteria</b> .....	13
5.2.1 <i>Scoring/Weighting</i> .....	13
5.2.2 <i>Detailed Breakdown of Preferred Evaluation Criteria</i> .....	14
Appendix A.....	17
Appendix B.....	18

## **1. General**

### **1.1 Purpose**

This Request for Proposals (RFP) is to solicit proposals from qualified organizations to provide investment consulting services to the Alberta Local Authorities Pension Plan Corp. (ALAPP Corp.).

### **1.2 Key Dates**

The anticipated contract term is for five (5) years with a target commencement date of January 1, 2018. ALAPP Corp. reserves the right to extend this contract two (2) times for up to two (2) years each under the same terms and conditions including pricing/payment.

### **1.3 Contact**

All questions in relation to the RFP should be forwarded by email to [feedback@lapp.ca](mailto:feedback@lapp.ca) and should include the RFP solicitation number within the subject line.

### **1.4 Short-list and Presentations**

All proposals meeting the minimum criteria will be reviewed by the Selection Committee, which will be comprised of ALAPP Corp. staff and Local Authorities Pension Plan (LAPP) Trustees. Leading proposals will be short-listed by the Selection Committee based on the stated evaluation criteria. Short-listed proponents will be required to present their proposal in the form of a PowerPoint or PDF presentation. The proponent's lead consultant must be in attendance for this presentation. Specific presentation details will be announced later; however, the proposal evaluation criteria are provided in section 5 of this RFP.

The short-listed proponents should be prepared to give a formal presentation on the benefits of their proposal to the Selection Committee on the afternoon of November 2, 2017. The time and specific details of the presentation will be announced when the short-list is confirmed no later than October 15, 2017. Any expenses incurred (e.g. travel) are the responsibility of the proponent. Proponents will have approximately 30 minutes to complete their presentations, and an additional 15 minutes for questions by the Board. If the proponent's firm has also been short-listed for ALAPP Corp.'s concurrent actuarial services RFP (Solicitation No. 2017-Actuarial-LAPP), such firm will be granted the option of making a joint presentation.

The Selection Committee recommendation will be subject to ratification on November 17, 2017 by the full LAPP Board.

All presentations will held in the ALAPP Corp. boardroom. The exact timing and logistical requirements for presentation room setup and other information will be provided to the short-listed candidates.

### **1.5 *Agreement on Internal Trade (AIT) and New West Partnership Trade Agreement (NWPTA)***

The RFP is subject to Chapter Five (Procurement) of the Agreement on Internal Trade. This RFP is also subject to procurement rules of the New West Partnership Trade Agreement.

### **1.6 *Terms and Conditions***

*Acceptance of Proposals* – ALAPP Corp. may reject the highest scoring, lowest cost proposal, or any and all proposals in its sole and arbitrary discretion, or cancel this RFP at any time. For greater certainty, this RFP is NOT a tender and there is no obligation by ALAPP Corp. to enter into any contract with any party as a result of the issuance of this RFP or any documents related to it.

*Contract* – The successful proponent, if any, will enter into ALAPP Corp.'s standard form of consulting agreement, a copy of which is attached as Appendix B to this RFP.

*Confidentiality* - The proponent shall keep strictly confidential all information concerning ALAPP Corp., or any of the business or activities of ALAPP Corp. acquired as a result of participation in this RFP and only use, copy or disclose such information as necessary for the purpose of submitting a proposal or upon written authorization of ALAPP Corp.

*Incurred Costs* - ALAPP Corp. shall not be liable for any costs incurred by a proponent for the preparation or presentation of a proposal.

*Liability for Errors* – The information contained in this RFP is supplied solely as a guideline for proponents. The information is not guaranteed or warranted to be accurate by ALAPP Corp. nor is it necessarily comprehensive.

*Modification of Terms and RFP Cancellation* – ALAPP Corp. reserves the right to modify the terms of the RFP prior to the submission date. ALAPP Corp. also reserves the right to cancel the RFP at any time prior to entering into a contract with any successful proponent.

*Ownership* – All documents submitted by proponents shall become the property of ALAPP Corp.

*Period of Commitment* - Proposals shall form an unconditional offer by the proponent to ALAPP Corp. for a period of 180 days from the RFP closing date.

*Proposal Revisions* – Proposal revisions must be received prior to the RFP closing date and time. As of the closing date and time proposals shall be final and may not be altered by subsequent offerings, discussions or commitments.

*Reliance on Proposals* - In providing a proposal in response to this RFP, the proponent acknowledges and agrees that ALAPP Corp. is relying on the truth of the

contents of their proposal to enter into a contract between that proponent and ALAPP Corp.

*Subcontracting* – subcontracting of specific projects or specific project requirements is not permitted.

## **2. Background**

### **2.1 Profile of the Local Authorities Pension Plan**

The Local Authorities Pension Plan (LAPP or the Plan) is a contributory, final average earnings defined benefit pension plan for employees of local authorities in Alberta, including municipalities, school boards and colleges, and health care bodies.

The LAPP is a statutory pension plan governed by the *Public Sector Pension Plans Act* (Alberta) (PSPPA) and the *Public Sector Pension Plans (Legislative Provisions) Regulation* (AR 365/93). The LAPP rules are prescribed under the Local Authorities Pension Plan Regulation (AR 366/93). Copies of the Act and Regulations can be accessed on the Alberta Queen's Printer Web site at [qp.gov.ab.ca/index.cfm](http://qp.gov.ab.ca/index.cfm).

As of December 31, 2016, the Plan served 419 employers and a total of 254,000 members (158,000 active members, 34,000 deferred members and 62,000 pensioners).

The LAPP is financed by active member and employer contributions and by the investment earnings of the LAPP fund. Active members and their employers make contributions to the Plan, with employers paying rates at 1% of pensionable salary more than employees.

The Plan fund is managed by Albert Investment Management Corporation (AIMCo). The Plan fund has a diversified investment portfolio of fixed income products, domestic and foreign equities, real estate and a variety of alternative investments. The fair value of the total Plan fund exceeded \$39 billion as at March 31, 2017.

More detailed information about the LAPP can be found on or accessed from the LAPP website at [lapp.ca](http://lapp.ca).

### **2.2 LAPP Governance Profile**

The Alberta President of Treasury Board, Minister of Finance (the “Minister”) is the Trustee and Administrator of the LAPP. Other bodies involved in the governance of the LAPP include the LAPP Board of Trustees, ALAPP Corp., Alberta Pensions Services Corporation (APS) and AIMCo.

The LAPP Board of Trustees (LAPP Board) was created by legislation in 1993. Its objects are set out in Schedule 1 of the PSPPA and include setting general policy guidelines regarding investment and management of LAPP fund assets and the administration of the LAPP, making recommendations to the Minister about plan rule changes, reviewing administrative decisions as per Ministerial delegation and setting contribution rates.

The LAPP Board is also responsible for having an actuarial valuation of the LAPP prepared at least every three years and making provisions by regulation, following recommendations made in the actuarial valuation report by the actuary, to ensure that service under the LAPP is funded according to the Act.

The ALAPP Corp. Board of Directors is comprised of the same individuals as the LAPP Board. ALAPP Corp.'s mandate is to support the LAPP Board in its statutory duties, and to provide strategic guidance to the LAPP.

The ALAPP Corp. staff is currently comprised of the President and Chief Executive Officer; Vice President, Investment Policy and Risk Management; Vice President, Pension Policy and Funding; Vice President, Stakeholder Relations and Communications; Manager, Communications and Pensions Reporting; Manager, Quantitative Research and Analysis (vacant); and Board Secretary.

The LAPP Board has fourteen members, including six employer nominees, six employee nominees, one member appointed by the Province and one member nominated by retirees. All appointments to the LAPP Board are made by Cabinet. Provincial legislation requires the offices of Board Chair and Vice-Chair to alternate every two years between employer and employee nominees. The LAPP Board does not have an Investment Committee; rather, all investment issues are dealt with by the entire LAPP Board.

In accordance with the PSPPA, the Minister, as Trustee, holds the assets of the Plan fund in trust for the purposes of providing benefits accrued under the Plan and to pay the expenses of maintaining the Plan. The Minister has delegated to AIMCo the day-to-day management of the assets held under the Plan. In managing the Plan assets, AIMCo must follow the Statement of Investment Policy and Goals (SIP&G) established and updated from time to time by the LAPP Board. In following the SIP&G, Plan assets must be invested in accordance with the *Employment Pension Plans Act* (Alberta), the *Income Tax Act* (Canada) and applicable regulations, notwithstanding anything to the contrary in the *Financial Administration Act* (Alberta).

Additional information about LAPP's governance structure can be found on or accessed from the LAPP website at [lapp.ca](http://lapp.ca).

### **2.3 LAPP Strategic Objectives**

The LAPP Board has set forth a number of funding and other strategic objectives that include:

- To secure plan benefits,
- To ensure the financial sustainability of the Plan, including stabilization of contribution rates whenever possible and alignment of investment policy risk to acceptable levels of stakeholder funding risk,
- To ensure, to the extent possible, that each generation of active members funds only the cost of their future benefits, and

- To be an industry leader in risk management.

In addition to meeting the service requirements noted in section 3, proponents should demonstrate how they are able to support ALAPP Corp. and the LAPP Board in the achievement of these objectives.

### 3. Service Requirements

#### 3.1 *Services to be Provided*

The main services to be provided to ALAPP Corp. include quarterly and annual monitoring and reporting on investment performance, conducting an asset/liability study and evaluating AIMCo. Other services include supporting the VP, Investment Policy and Risk Management in providing forward-looking recommendations on investment policy and strategic matters and enhancing Board knowledge on investment-related topics and issues.

The successful proponent will liaise with ALAPP Corp. staff and work with AIMCo to obtain information and the data needed for completing various investment consulting projects. ALAPP Corp. will provide completion dates for each project. If needed for specific projects, ALAPP Corp. staff will monitor progress at regular intervals. The successful proponent will request information with sufficient time for ALAPP Corp. and AIMCo staff to provide information within stated timelines for meeting project deadline dates. Unless otherwise directed by ALAPP Corp. staff, it is expected that deliverables in relation to the particular project shall be delivered to ALAPP Corp. staff at least twenty-one business days prior to the relevant Board meeting date for inclusion in the Board's meeting agenda.

Proponents should provide a brief description of the approach, methodology and time that would be used for the various services described below. The proposal should provide a brief description of the experience of the proponent in providing similar consulting advice. Please provide an estimate of expected fees and disbursements, including billable rates of lead consultants and other team members and out-of-pocket expenses that would be charged. Proponents should also describe the depth and breadth of their firm's global investment expertise and data banks and the access that the lead consultant will have to that expertise and data.

##### 3.1.1 *General Investment Consulting Services and Enhancing Board Knowledge*

The successful proponent will support ALAPP Corp.'s VP, Investment Policy and Risk Management in enhancing Board knowledge in investment management, which may include *ad hoc* written reports, presentations or correspondence. Consulting services in this area may include, but are not necessarily limited to:

- ongoing research and advice on potential sources of extra return and new investment products;
- analyzing and advising on new investment product opportunities presented by AIMCo;

- undertaking special studies as requested by ALAPP Corp. management or the ALAPP Board;
- providing industry perspective through continuous monitoring of other investment managers and other plan sponsors;
- providing advice on other investment issues as they may emerge;
- providing the Board with plain-language, introductory-level and/or refresher educational sessions on various investment concepts, as required; and
- being readily accessible by telephone to ALAPP Corp. management to answer questions on various investment concepts and to discuss emerging investment issues.

### *3.1.2 Quarterly Monitoring of Investment Performance*

The following work is to be performed within the scope of quarterly monitoring of investment performance:

#### **Core Performance and Attribution**

- Calculation of the total fund return and volatility, as well as individual asset classes, with comparisons to benchmarks.
- Performance attribution analysis between key elements of asset allocation and security selection.
- Review of performance of individual investment products (as defined by AIMCo) against pre-established performance objectives.
- Quarterly verification of performance with AIMCo.

#### **Review of Total Fund Structure**

- Review of fund structure relative to policy targets by asset class.
- Information on fund exposure by mandate (active versus passive, AIMCo-managed versus externally managed).
- Summary of the sources of change in the market value of the fund during the period.

#### **Comparative Measurement**

- Total fund and investment product returns and risk analysis compared quarterly to a representative sample group.

#### **Portfolio Profile and Style Analysis**

- Commentary on factors impacting market and manager performance, including key portfolio characteristics such as summary statistics at the product level on sector and company exposure, geographical exposure and interest rate risk.
- Reporting, in a written report, on the impact of style on performance using returns based style analysis on an annual basis, or as mutually agreed.



- Ongoing qualitative monitoring and evaluation of investment managers to assess impact on the Plan.

### **Semi-Annual Board Presentation and Report**

- Semi-annual written reports and presentations to the Board which:
  - Interpret and discuss the performance highlights of the period under review.
  - Comment on industry or manager developments pertinent to the performance monitoring function.

### **Policy Compliance**

- Monitor compliance by AIMCo to the Plan's investment policy. The focus will be at the strategic asset mix level, assessing the portfolio relative to policy guidelines and constraints.

Based on the current investment management structure for the Plan assets, AIMCo will be the source of data used in calculating returns on a monthly basis, and for the quarterly summary of other portfolio-related statistics. The data will be transmitted to the successful proponent electronically, or, in some other form acceptable to the successful proponent, by AIMCo.

The successful proponent must seek to meet or exceed ALAPP Corp.'s scheduling and accuracy expectations. Normally, client quarterly reports are delivered within six weeks of the quarter-end. The successful proponent's ability to meet this target is impacted by the timelines of custodial and AIMCo data. The expectation would be to receive data monthly from AIMCo within three weeks of month-end.

#### *3.1.3 Annual Comprehensive Evaluation Report*

The successful proponent will provide an annual evaluation report of AIMCo, which will review AIMCo's:

- Organization Effectiveness – Business Management and People;
- Investment Process and Product Construction;
- Investment Performance; and
- Risk Management and Compliance processes.

#### *3.1.4 Annual Review of Investment Policy and Strategy*

The following work is to be performed within the scope of annual reviews of investment policy and strategy advice:

- supporting the VP, Investment Policy and Risk Management in conducting annual reviews, updates and recommendations for future action on the following investment policies:
  - Statement of Investment Policy and Goals, including review of investment beliefs, fund objectives, asset return objectives, benchmarks and asset mix;

- risk appetite and risk tolerances;
  - AIMCo's use of leverage;
  - currency hedging policy;
  - AIMCo's derivative use and proxy voting policies; and
  - AIMCo's strategic plan.
- preparing an annual investment environmental scan and quarterly market outlook, with recommendations for an annual investment plan for the upcoming year.

### *3.1.5 Asset Liability Modeling Study*

The successful proponent will conduct an asset liability modeling (ALM) study in the fourth or fifth year of the contract. The objectives of the study will be:

- to review and establish a long-term strategic asset mix policy which strikes an appropriate balance between the desire for higher returns (leading to lower contributions) and lower risk (based on the key risk measures and risk budgets as defined by the Board);
- to fulfill the Board's fiduciary responsibilities to prudently manage the Plan's investments taking into account various factors including membership demographics, benefit structure, changing economic environment and capital market expectations; and
- to provide the Board with a deeper understanding of the impact of various investment policy alternatives, the investment and funding risks the Plan faces, capital market expectations, sensitivity to alternate economic scenarios, likelihood of achieving actuarial requirements and the implications of risk budgeting constraints.

The successful proponent will work with the actuary and AIMCo in conducting the ALM study. At this time, proponents are asked to generally describe the approach, methodology, and anticipated timelines that will be used for the ALM study and a rough estimate of overall costs for this project. The cost estimate will not bind ALAPP Corp. or the successful proponent, but will be used only as an indicator for evaluation in this RFP.

The scope of this project is subject to change and will be determined closer to the start date. It should be noted that ALAPP Corp. will require an analysis of the results of asset/liability projections, including conclusions and recommendations, formally presented in the form of a written report for presentation and discussion at a board meeting. At that time, a separate budget, as agreed to by ALAPP Corp. in advance and in accordance with an approved fee schedule, will be requested.

## **3.2 Facts and Assumptions**

The Plan operates under a set of investment beliefs which are the foundation of the investment policies that govern the management of the Plan fund. The beliefs also

serve as a guide to the Board's consideration of investment issues that may arise in the future. Beliefs are categorized as Governance and Decision Making, Objectives and Asset Mix, Investment Strategies, Asset and Manager Structure, and Measurement and Evaluation. Our investment beliefs are attached to our Statement of Investment Policy and Goals and can be found at our website, [lapp.ca](http://lapp.ca).

AIMCo manages the Plan fund using a multi-product platform, which uses both internal AIMCo staff as well as a multi-manager structure of external fund managers. The selection and monitoring of external managers is the responsibility of AIMCo.

The multi-product platform makes extensive use of pooled funds. Within each asset class, products are defined relative to the asset benchmark index.

To achieve its long-term investment objectives, the Board has adopted an asset mix that includes asset classes with volatile annual returns. To mitigate volatility, the Plan invests in a broadly diversified investment portfolio.

The Plan also utilizes a risk budgeting framework that establishes formal risk measures and tolerances and models investment risk. The Board believes that managing by monitoring risk exposures is superior to managing solely by asset-based limits.

The Board follows a prudent asset diversification policy, consistent with its investment beliefs and applicable legislation, to reduce exposure to any single investment risk and stabilize total fund investment returns. The long-term asset mix is based on three categories: fixed income (cash, public and private debt, and mortgages), inflation sensitive (real return bonds, infrastructure, real estate and timberland) and equities, both short horizon and long horizon (Canadian, global developed, small capitalization, emerging markets, hedge funds and private equity).

### **3.3 *Qualifying Criteria***

In order to be considered a qualified proponent of this RFP all of the mandatory/minimum requirements outlined below must be met. If all of the mandatory requirements are not met, it will result in proposal rejection. Preference will be given to proponents who are able to exceed the minimum criteria where indicated below.

The proponent organization must have at least one office located in Canada.

The proponent must have a minimum of three investment consultants, one of whom holds the Chartered Financial Analyst (CFA) designation, located in Canada. Preference will be given to proponents who have two or more qualified consultants located in western Canada.

Preference will be given to proponents who show an interest in and can demonstrate their knowledge about investment issues relating to public sector defined benefit pension plans in Canada, while also demonstrating a strong global investment expertise.

Preference will also be given to proponents who are able to address risk management and sustainability challenges at the Plan level, which includes actuarial related risks.

Furthermore, preference may be given to proponents who can provide ALAPP Corp. staff with tools and/or support to assist the Board's in achieving its objective of being an industry leader in enterprise risk management.

#### **4. Submission Guidelines**

##### **4.1 Proponent Profile and Qualifications**

The proposal shall identify relevant investment consulting qualifications and experience that the proponent considers appropriate to the evaluation of their ability to successfully undertake the proposed contract and meet all of the RFP objectives.

Identify the lead consultant and other team members who would provide services to the Boards. Note: The successful proponent must not change the lead consultant without first providing ALAPP Corp. with at least 90 days' notice of the change, except with permission of ALAPP Corp.

The lead consultant must hold the Chartered Financial Analyst designation and be located in Canada. The lead consultant must have a minimum of ten years of relevant investment experience. Preference will be given to proponents who have six years of experience with at least one Canadian public sector client involving a pension plan of similar size and description as LAPP.

Proposals should provide qualification information listed below:

- Proponent's experience on providing investment consulting services to clients with pension plans of similar description and size, related business capabilities, financial stability and background. Preference will be given to proposals that include information about related public speaking engagements, educational programs, and media articles delivered by the proponent or proposed team members in the past three years.
- Disclosure of any disciplinary action or proceedings involving the proponent or a proposed team member by any professional or public governing body.
- Identification of potential areas of conflict of interest and how the proponent would resolve any conflict of interest situations should they arise. If the proponent organization currently manages investments for AIMCo, this would be considered a conflict of interest that will prevent consideration of the proposal. If there is a potential that the proponent organization could manage investments for AIMCo in the future, the proposal should identify how this potential conflict would be resolved. Any other current or potential future involvement with AIMCo must be disclosed, and the proposal must identify how any potential conflict would be resolved.
- An outline of the team member roles and responsibilities, including reporting structure and lead consultant backup/succession plan.
- Resumes for the lead consultant and other members of the team.
- References from a minimum of four different clients in the past three years, ideally from pension plans of reasonably similar size and description as LAPP. Preference

will be given to proposals where the references provided emphasize the proponent's ability to easily communicate technical and complex information, both verbally and in writing, in plain language.

References must substantiate and demonstrate defined benefit plan experience and will be expected to respond to questions related to the categories listed below.

- quality, accuracy, and timeliness of information or services provided;
- satisfaction with security and handling of sensitive or confidential information;
- availability of team leader and team leader interpersonal skills;
- communications ability;
- innovation; and
- pricing stability.

Reference information should include key personnel involved, the name and telephone number/email address of the senior member of each client organization. References for short-listed proponents will be contacted by Mrs. Gosia Talanczuk. Short-listed proponents will be notified prior to references being contacted.

#### **4.2 *Innovation***

Based on the Board's sensitivity to achieving investment performance returns within acceptable risk levels and maintaining asset portfolios that will mitigate surplus and contribution volatility, proponents are encouraged to add any relevant information that they consider would add value and demonstrates innovation to providing investment consulting services, keeping plan liability and risk issues in mind, based on their experience with other defined benefit plan clients in both the private and public sectors.

#### **4.3 *Confidentiality and Quality Assurance***

The proposal should illustrate how internal controls will ensure the security of confidential information.

The proposal should illustrate how deliverables will be provided and measured to ensure performance and quality assurance. This information should include a description of the methods used to ensure the accuracy, quality and timeliness of information or advice to be provided.

#### **4.4 *Contract***

The proposal should indicate the ability of the proponent to abide by the terms and conditions contained in ALAPP Corp.'s standard form of consulting agreement, a copy of which has been attached as Appendix B to this RFP. In the event the proponent would request changes to such contract, information should be included that outlines what these requests would be, the reasons for them, and the specific desired outcome.

#### **4.5 Submission Format**

Proposals should be submitted following the preferred format outlined below.

***Letter of Introduction***

Please include RFP title, contractor name, address, telephone number and contact person. One page introducing the proponent company, signed by the person(s) authorized to bind the proponent to their RFP response.

***Table of Contents***

Should include a list of all sections and appendices in the proposal response and indicate corresponding page numbers.

***Proposal Scope***

Full details of the proponent's proposal including general approach, work plan, procedures, quality control, project management, supervision, reporting structure and explanations of how all RFP project results will be achieved.

***Pricing***

Indicate the proposal pricing as requested. Prices shall be quoted in Canadian dollars and exclusive of the Goods and Services Tax.

***Appendices***

Attach other information such as references, resumes, financial information and other relevant useful information.

***Certification***

Proposals could include signed Certification as outlined below (or similar version).

“The statements made in this proposal are correct and truthful representations. If selected, I/we shall negotiate in good faith with ALAPP Corp.”

### **5. Evaluation Criteria**

ALAPP Corp. will use scored evaluation criteria to evaluate proposals and short-list proponents with the best scores. Mandatory and qualitative evaluation criteria and scoring are outlined in the tables below.

#### **5.1 Mandatory Criteria**

Proposals not clearly demonstrating that they meet the mandatory criteria listed below will be excluded from further consideration during the evaluation process.

1. Proposal must be received no later than 3:00 p.m. MST, **September 15<sup>th</sup>, 2017** and can be emailed to [gosa.talanczuk@lapp.ca](mailto:gosa.talanczuk@lapp.ca) or addressed to:

Mrs. Gosia Talanczuk, VP, Investment Policy and Risk Management  
Alberta Local Authorities Pension Plan Corp.  
Suite 1202  
10250 101 St  
Edmonton, AB T5J 3P4

2. The proposal must be in English and must not be sent by facsimile.
3. All proponents must include five (5) hard copies and one (1) electronic version of their proposals as part of the submission.
4. The RFP solicitation number must appear on the envelope and the RFP name and number must be included on all related correspondence.
5. Proponent must identify the lead consultant and other team members who would provide services to the Board, including a CV for each member and their relevant experience in developing strategic funding policies for public sector pension plans.
6. Proponent must have at least three investment consultants (including the lead consultant who holds the Chartered Financial Analyst (CFA) designation), located in Canada.
7. The lead consultant must have a minimum of 10 years of relevant investment consulting experience.

## **5.2 Preferred/Qualitative Evaluation Criteria**

### **5.2.1 Scoring/Weighting**

The criteria will be evaluated based on the quality of response. Proponents not achieving the minimum score in a particular category will receive no further consideration to their proposal.

<b><i>Preferred/Qualitative Evaluation Criteria</i></b>	<b><i>Maximum Score</i></b>	<b><i>Minimum Score</i></b>
<b>Proponent Profile and Qualifications 37.5% Weighting</b>	<b>150</b>	
1) Staffing availability and qualifications	30	21
2) Experience – successfully demonstrates investment consulting experience for clients with pension plans of similar size and description, while also demonstrating global investment expertise and data banks	35	24
3) Client Satisfaction – successfully demonstrates service deliverables have consistently met client expectations	30	18

<i>Preferred/Qualitative Evaluation Criteria</i>	<i>Maximum Score</i>	<i>Minimum Score</i>
4) Communications Skills – successfully demonstrates ability to communicate complex topics in a manner that is easy to understand and follow	30	18
5) ALM and other risk management capabilities	25	0
<b>Innovation 17.5% Weighting</b>	<b>70</b>	
1) Illustrates understanding of industry trends and challenges faced by pensions	35	21
2) Demonstrates ability to provide value-added benefits	35	21
<b>Risk Management/Monitoring Tools 5% Weighting</b>	<b>20</b>	
1) Availability of tools for ALAPP Corp. usage	20	0
<b>Pricing (including costing rationale) 15% Weighting</b>	<b>60</b>	
<b>Confidentiality and Quality Assurance 10% Weighting</b>	<b>40</b>	<b>24</b>
<b>Proposal Structure, Clarity and Brevity 5% Weighting</b>	<b>20</b>	<b>N/A</b>
<b>Presentation/Interview 10% Weighting</b>	<b>40</b>	<b>24</b>
<b>Total</b>	<b>400</b>	

### 5.2.2 Detailed Breakdown of Preferred Evaluation Criteria

- Proponent Profile and Qualifications
  - Illustrates availability of project personnel and equally qualified back-up/alternate staffing, specifically the lead consultant. Points may be awarded to those proponents where key team members are available to meet with ALAPP Corp. staff on short notice.
  - Illustrates that the project personnel, including staff, have the required experience, knowledge, skills and abilities to perform the project individually and as a team. Points may be awarded if the lead consultant has more than ten years of relevant experience or has six years of experience for at least one Canadian public sector client involving a pension plan of similar size and description as the LAPP. Points may also be awarded if the lead consultant has been involved with recent sustainability planning initiatives with another Canadian public sector client of similar size and description as the LAPP, and/or if the lead or secondary consultant has experience in public speaking and delivering educational/training sessions.
  - Demonstrates the firm’s and team’s experience and capabilities in completing strategic risk management projects such as ALM studies, horizon planning or contribution rate setting policies.



- Provides individual resumes of each project team member (e.g. lead consultant, secondary consultant, technical analyst, and clerical staff) specifying relevant experience, knowledge, skills and abilities as related to the services required.
- The proposal provides a minimum of references from four different clients in the past three years with pension plans of similar size and description as the LAPP. Points may be awarded if the references are able to emphasize the proponent's ability to easily communicate technical and complex information, both verbally and in writing, in plain language.
- **Transfer of Business and Innovation**
  - Provides clear information on requirements, timelines, and progress reporting for transfer of business.
  - Illustrates understanding and knowledge of challenges and industry trends similarly faced by the LAPP.
  - Provides value-added benefits to ALAPP Corp. (e.g. LAPP cost savings, efficiencies, etc.).
- **Risk Management / Monitoring Tools**
  - ALAPP Corp. is interested in acquiring tools to assist in its efforts to be an industry leader in enterprise risk management. Points may be awarded if the proponent is able to make such tools available to ALAPP Corp. staff at a reasonable cost.
- **Confidentiality and Quality Assurance**
  - Demonstrates ability to adhere to the *Freedom of Information and Protection of Privacy Act*, as amended, replaced or substituted from time to time.
  - Outlines processes in place regarding confidentiality and access to information.
  - Confirms that membership data, if ever provided for purposes of an ALM study, will never be housed, stored, viewed or otherwise transmitted outside of Canada without prior written permission.
  - Illustrates that investment consulting services comply with professional standards.
  - Provides clear information on methods used to ensure accuracy, timeliness and quality of deliverables.
- **Contract**
  - Indicates ability to abide by the terms and conditions contained in ALAPP Corp.'s standard form of consulting agreement, a copy of which has been attached as Appendix B to this RFP.
  - Provides complete and detailed information related to changes that would be requested, if any.
- **Pricing and costing rationale**
  - For the investment consulting services, provides an estimate of expected fees and disbursements, including billable rates of the lead consultant and other team members, including the maximum fees and out-of-pocket expenses that would be charged for funding valuations.

The proposal pricing for delivery of funding valuations is to specify estimated costing rationale including:

- Data collection, analyses and report delivery costs, based on estimated time required;
- Attendance at Board meetings, based on estimated time required for presentations; and
- Out-of-pocket expenses, including travel expenses to attend Board meetings.
  - Confirmation of whether or not the proponent charges for travel time related to attendance at Board meetings.
- Proposal Structure, Clarity and Brevity
  - Proposal format and structure was easy to follow and read. The layout of the proposal provided the reader ease of access to the required responses to the RFP requirements.
  - Well-written in a clear, logical and concise manner.
- Presentation
  - PowerPoint presentation clearly, logically and concisely sets out the benefits of the proposal.
  - Verbal communication is clear, understandable and concise.

**RFP Acknowledgement Form**

Solicitation No.: 2017-Investment-LAPP

If you are interested in this procurement opportunity, please complete this form and return by mail or e-mail to:

Ms. Roni DeBock, Board Secretary  
Alberta Local Authorities Pension Plan Corp.  
Suite 1202  
10250 101 St  
Edmonton, AB T5J 3P4

Telephone: (780) 427-5126  
Email: [roni.debock@lapp.ca](mailto:roni.debock@lapp.ca)

I authorize the Alberta Local Authorities Pension Plan Corp. to send further correspondence relevant to this RFP that is deemed to be of an urgent nature by the following method:

- E-Mail:** \_\_\_\_\_
- Courier collect:** courier name and acct no. \_\_\_\_\_

\_\_\_\_\_

Date

\_\_\_\_\_

Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Position

ALBERTA LOCAL AUTHORITIES  
PENSION PLAN CORP.  
("ALAPP Corp."),  
STANDARD FORM OF  
CONSULTING AGREEMENT

You have been provided with this document in the expectation that you may soon be entering into a contract with ALAPP Corp. for the provision of goods or services. If ALAPP Corp. chooses to do business with you, you will be expected to enter into a form of contract similar to the one attached. Please read the attached contract carefully and assure yourself that you are able to meet the obligations contained therein.

UNDER NO CIRCUMSTANCES WILL ALAPP CORP. BE LIABLE FOR ANY WORK PURPORTING TO BE PERFORMED ON ALAPP CORP.'S BEHALF UNTIL A CONTRACT HAS BEEN SIGNED BY BOTH THE CONSULTANT AND ALAPP CORP. Any work you choose to do before such a signed contract is in place is at your own expense.

# CONSULTING AGREEMENT

THIS AGREEMENT made effective as of the \_\_ day of \_\_\_\_ 20\_\_.

BETWEEN:

ALBERTA LOCAL AUTHORITIES PENSION PLAN CORP.  
(hereinafter called the "Corporation")

AND:

Consultant's full individual or corporate name  
of the City of \_\_\_\_\_  
in the Province of \_\_\_\_\_  
(hereinafter called the "Consultant")

(collectively the "Parties")

In consideration of the covenants that follow, the Corporation and Consultant agree:

## 1. COMMENCEMENT AND COMPLETION DATES

The Consultant shall commence providing the Services (as hereinafter defined) under this Agreement, on \_\_\_\_\_ 20\_\_ and, subject to earlier termination of the Agreement as hereinafter provided, shall complete the Services on or before \_\_\_\_\_, 20\_\_ (the "Term").

## 2. CONSULTING SERVICES

- 2.1 The Consultant will provide the Corporation with the services as described in Schedule A (the "Services"), which is incorporated into and forms part of this Agreement.
- 2.2 The Services will be performed by the Consultant to the specifications and the satisfaction of the Corporation.
- 2.3 The Corporation shall have absolute discretion in determining the suitability of the Services provided and the work performed by the Consultant under this Agreement.

## 3. FEE AND PAYMENT SCHEDULE

- 3.1 If the Consultant performs the Services in Schedule A to the satisfaction of the Corporation and in accordance with this Agreement, the Consultant will be paid in accordance with Schedule B (the "Fee and Payment Schedule"), which is incorporated into and forms part of this Agreement.

3.2 The Corporation certifies that the Services being purchased in this Agreement are being purchased by the Corporation as an Agent of the Crown in Right of the Province of Alberta for the benefit and enjoyment of the Crown in Right of the Province of Alberta and are therefore not subject to the Goods and Services Tax.

#### 4. PROOF OF COSTS AND EXPENSES

During the Term of this Agreement and for two years thereafter, the Consultant will keep statements, invoices, accounts, receipts and other records related to any of the costs and expenses incurred by the Consultant in the performance of the Services (hereinafter "Proof of Costs"). Proof of Costs must be available, at all reasonable times, for inspection by either the Corporation (including its representative) or the Auditor General of Alberta (including the Auditor General's representative). The Consultant agrees to comply with all reasonable requests for information by the Corporation regarding the costs and expenses incurred by the Consultant in the performance of the Services.

#### 5. CORPORATION POLICIES AND INSTRUCTIONS

5.1 The Consultant agrees that it will act in accordance with any policy, and carry out the instructions, of the Corporation as communicated to the Consultant by any designated officer of the Corporation. The Consultant acknowledges that such policies and instructions may limit, restrict or remove any power or discretion which might otherwise have been exercised by the Consultant.

5.2 The Corporation designates \_\_\_\_\_ to be the Corporation's representative for this Agreement and the Consultant shall take instructions only from that individual. The Corporation may change its designated representative by sending written notice of such change to the Consultant.

#### 6. STANDARD OF CARE AND COMPETENCY

6.1 The Consultant will at all times while performing the Services act honestly and in good faith and will exercise the standard of care, skill and diligence commonly exercised and observed by a reasonable and prudent person engaged in the provision of services similar to the Services, and devote such time and energies as may be necessary and appropriate to the due performance of its obligations under this Agreement.

6.2 The Consultant will ensure that all persons employed by it in connection with the provision of the Services are competent to perform them, adequately trained, fully instructed and properly supervised, and will at all times maintain appropriate professional qualifications necessary to properly perform the services.

#### 7. CONFIDENTIALITY AND FREEDOM OF INFORMATION

7.1 The Consultant acknowledges and agrees that the *Freedom of Information and Protection of Privacy Act (Alberta)* (the *Act*), as amended, replaced or substituted from time to time, applies to any record, as "record" is defined in the *Act*,

(hereinafter referred to as a “Record”) and to any “personal information”, as “personal information” is defined in the *Act*, (hereinafter referred to as “Personal Information”) obtained or created in the provision of the Services, whether received by the Consultant from the Corporation or not.

- 7.2 (a) Records and Personal Information in the custody of the Consultant shall be kept only at the address for notice of the Consultant specified in this Agreement.
- (b) The Consultant must protect all Records and Personal Information which are in its custody by making reasonable security arrangements against such risks as unauthorized access, use, disclosure or disposal.
- (c) Consultant will treat all Records and Personal Information with the strictest of confidence and will not disclose or grant access to any Records or Personal Information which are in its custody, or to which it has access, to anyone without the prior written consent of the Corporation.
- (d) Access to Records and Personal Information shall be limited to the Consultant and only those employees and permitted subcontractors of the Consultant who require access to it for the completion of the Services.
- (e) The Consultant shall ensure that no use is made of any Records or Personal Information for any purpose, other than carrying out the Services, unless the Consultant has received the prior express written authorization for doing so from the Corporation.
- 7.3 The Consultant shall comply with all security procedures required by the Corporation.
- 7.4 The Consultant agrees that all Records and Personal Information pertaining to the Services are, regardless of their physical location, within the control (as “control” is interpreted under the *Act*) of the Corporation and that the Consultant will permit the Corporation, at any time, to have access to any Record or Personal Information which is in the Consultant’s custody.
- 7.5 The Consultant will faithfully serve and use their best efforts to promote the interests of the Corporation and, both during and subsequent to the Term of this Agreement, will not use any Record, Personal Information, or other general information the Consultant may acquire with respect to the business and affairs of the Corporation, the Local Authorities Pension Plan (including that plan’s members), or the Local Authorities Pension Plan Board of Trustees, for the Consultant’s own purposes or for any purposes other than those of the Corporation or its affiliates.
- 7.6 At the expiry of the Term or earlier termination of this Agreement, the Consultant will either:

- (a) return to the Corporation all Records and Personal Information which are in the custody of the Consultant; or
  - (b) provide the Corporation with a written confirmation that all Records and Personal Information which were in the custody of the Consultant have been destroyed.
- 7.7 No Personal Information or Records are to be removed, or transmitted by electronic means, from Canada by the Consultant without the prior written permission of the Corporation.
- 7.8 (a) In this Article 7.8 of this Agreement:
- (i) "Access" means providing access to, copies of, or otherwise disclosing any Personal Information or Records.
  - (ii) "Affiliate" means an affiliate, as defined in the *Business Corporations Act (Alberta)* Ch. B – 9 (as amended), of the Consultant.
  - (iii) a "Court with Jurisdiction in Alberta" means:
    - (A) An entity established under legislation of the Parliament of Canada or the Legislative Assembly of Alberta and which legislation grants to that entity the power to compel the production of Personal Information or Records;
    - (B) the Supreme Court of Canada;
    - (C) the Court of Appeal of Alberta;
    - (D) the Court of Queen's Bench of Alberta;
    - (E) the Provincial Court of Alberta; and
    - (F) Federal Courts created under the jurisdiction of section 101 of *The Constitution Act, 1867*.
  - (iv) a "Foreign Court" means a government, other than the government of Canada or Alberta, or any entity created by a government (other than a Court with Jurisdiction in Alberta) with the power to issue an Order, and includes, without limiting the generality of the foregoing, a court, tribunal or administrative body.
  - (v) an "Order" means the exercise of any power by a Court with Jurisdiction in Alberta or Foreign Court, which has the effect, or purports to have the effect, as the case may be, of compelling the Consultant or any of its employees, permitted subcontractors, anyone acting on behalf of the Consultant, or any Affiliate of the Consultant, to grant Access to any Personal Information or Record to any person or entity.
- (b) The Consultant shall not provide Access to any Personal Information or Records pursuant to any Order issued by a Foreign Court.
  - (c) The Consultant may provide Access to Personal Information or Records pursuant to the order of a Court with Jurisdiction in Alberta, only upon having first provided written notice of such intended disclosure to the Corporation.
  - (d) The Consultant shall immediately provide notice to the Corporation if it, or any of its employees, permitted subcontractors, anyone acting on behalf of the Consultant, or any Affiliate of the Consultant has been served with, or otherwise becomes compelled to observe, the Order of any Foreign Court or a Court with Jurisdiction in Alberta.



- (e) The Consultant expressly agrees that the obligations of the Consultant to provide notice contained in Sub-article 7.8(d) of this Agreement with regard to the Order of any Foreign Court shall be observed by the Consultant even if the Order or the legislation governing the Foreign Court, requires the Consultant to keep the existence of the Order secret.
- (f) The Consultant shall cause any of its employees, permitted subcontractors, anyone acting on behalf of the Consultant, or any Affiliate of the Consultant, to observe and be bound by the provisions of Article 7 of this Agreement.

7.9 The Consultant agrees to provide access to any of its premises where the Personal Information or Records are stored to the Corporation, its agents or any agents of the Government of Alberta to conduct an audit of compliance with the terms and conditions of Article 7 of this Agreement.

7.10 This Article 7 shall survive the expiry or earlier termination of this Agreement.

## 8. COPYRIGHT AND OTHER PROPRIETARY RIGHTS

8.1 The term “technical information” includes all designs, documents, specifications, dates, plans, reports, surveys, examinations, analysis and other information which form part of the Services to be delivered to the Corporation.

8.2 All technical information shall be the property of the Corporation. The Consultant shall not, without the written consent of the Corporation, divulge or use such technical information other than in carrying out the Services.

8.3 The Consultant shall ensure that any agreement or arrangement with any third party or with any employee, agent or representative of the Consultant incorporates the terms of Articles 7 and 8 of this Agreement.

8.4 This Article 8 shall survive the expiry or sooner termination of this Agreement.

## 9. INDEMNIFICATION AND LIABILITY

9.1 The Consultant will indemnify and save harmless the Corporation and its directors, officers, agents, employees, contractors, subcontractors, representatives, successors or assigns and the Local Authorities Pension Plan Board of Trustees and its individual members (together, the “Corporation Indemnitees”) from and against all losses, claims, damages, actions, causes of action, costs and expenses (including legal costs on a solicitor-client basis) that any of the Corporation Indemnitees may sustain, incur, suffer or be put to at any time, either before or after completion, expiration or termination of this Agreement, to the extent the same or any of them are based upon, arise out of or occur, by reason of any negligent act or omission or willful act of the Consultant or of any person for whom the Consultant is legally responsible including, without limiting the generality of the foregoing, any director, officer, agent, employee, contractor, subcontractor, representative, successor or assign of the Consultant.

- 9.2 The Consultant agrees that any sums payable to the Corporation Indemnitees by the Consultant pursuant to the indemnity contained in Article 9.1 may be set off against any sums, of whatever nature, owing by the Corporation to the Consultant.
- 9.3 The Corporation will not be responsible for any loss or damage to any equipment or personal property of any kind owned or used by the Consultant. The Consultant hereby waives its right of recourse against the Corporation with regard to any and all loss or damage to equipment or personal property of any kind owned or used by the Consultant, whether or not the cause is the negligence of the Corporation. The Consultant shall make this waiver known to its property insurer, if any.
- 9.4 This Article 9 shall survive the expiry or earlier termination of this Agreement.

## 10. INSURANCE

- 10.1 The Consultant will, during the term of this Agreement, at its own expense, and without limiting its liabilities herein, insure its operations under a contract of General Liability Insurance, in accordance with the Alberta *Insurance Act*, in an amount not less than two million (\$2,000,000) dollars inclusive per occurrence, insuring against bodily injury, personal injury and property damage including loss of use thereof. Such insurance shall include blanket written contractual liability. The Consultant will extend its own "All Risks" property insurance to cover its legal liability for the property of others in its care, custody or control.
- 10.2 The Consultant will, during the term of this Agreement, at its own expense, maintain Errors and Omissions Insurance, insuring the Consultant's liability resulting from errors or omissions in the performance of the Consultant's professional services under this Agreement in an amount of not less than 10 million (\$10,000,000.00) dollars per occurrence.
- 10.3 Evidence of such insurance in the form acceptable to the Corporation shall be made available, immediately on request, to the Corporation.
- 10.4 Until the expiry or earlier termination of this Agreement the Consultant will:
- (a) insure all eligible employees under applicable *Workers Compensation* legislation (the "WCB"); and
  - (b) comply with the WCB.

## 11. TERMINATION

- 11.1 The Corporation may terminate, for any reason whatsoever, this Agreement at any time upon written notice to the Consultant, which notice is effective on the date of delivery per Article 12 of this Agreement.
- 11.2 Upon termination of this Agreement for any reason, the Consultant will:

- (a) immediately comply with Article 7.5 of this Agreement;
- (b) return to the Corporation any property, documentation, or confidential information which is the property of the Corporation;
- (c) provide a report to the Corporation regarding the Services provided to the date of delivery of the termination notice; and
- (d) submit an invoice to the Corporation for Services rendered to the date of delivery of the termination notice.

11.3 The Corporation, in its absolute discretion, will determine the amount payable for Services rendered to the date of delivery of the termination notice and the Consultant agrees that this determination by the Corporation shall be final and binding upon the Parties to this Agreement. This Article 11.3 shall survive the expiry or earlier termination of this Agreement.

11.4 Upon termination of this Agreement for any reason whatsoever, those clauses which by their nature continue after the conclusion or termination of this Agreement shall continue after such conclusion or termination including, without limiting the generality of the foregoing, Articles 7, 8, 9 and 11 of this Agreement.

## 12. NOTICES

12.1 All notices, requests, demands or other communications (collectively, "Notices") by the terms hereof required or permitted to be given by one party to any other party, or to any other person shall be given in writing by personal delivery or by registered mail, postage prepaid, or by email to such other Party as follows:

**TO THE CORPORATION:**

Alberta Local Authorities Pension Plan Corp.  
Suite 1202, 10250 101 St.  
EDMONTON, AB T5J 3P4  
Attention: Christopher Brown, President & CEO  
Chris.Brown@lapp.ca

**TO THE CONSULTANT:**

Consultant's name

address

city

Attention: [redacted]

Email: [redacted]

or at such other address as may be given by such person to the other party hereto in writing from time to time.

12.2 All such Notices shall be deemed to have been received when delivered or transmitted or, if mailed, forty-eight (48) hours after 12:01 a.m. on the day following the day of the mailing thereof. If any Notice shall have been mailed and if regular mail service shall be interrupted by strikes or other irregularities,

such Notice shall be deemed to have been received forty-eight (48) hours after 12:01 a.m. on the day following the resumption of normal mail service, provided that during the period that regular mail service shall be interrupted all Notices shall be given by personal delivery or by facsimile transmission.

### 13. INDEPENDENT SUPPLIER OF SERVICES

13.1 It is understood that the Consultant and any individuals employed by the Consultant for the completion of the Services:

- (a) do not become employees of the Corporation by virtue of their activities in relation to this Agreement; and
- (b) are entitled only to such rights, privileges, benefits, and compensation as may be expressly stated in this Agreement.

13.2 The Consultant and the Corporation acknowledge and agree that this Agreement does not create a partnership or joint venture between them.

13.3 The Consultant is responsible for all statutory payments normally required to be made by or on behalf of a self-employed person or an independent contractor, such as income tax remittances, Canada Pension Plan payments, Goods and Services Tax, Provincial Sales Tax, and the like.

### 14. OCCUPATIONAL HEALTH AND SAFETY

The Consultant shall comply with all applicable municipal, provincial and federal laws, including the *Occupational Health and Safety Act*, if applicable.

### 15. NO ASSIGNMENT OR SUBCONTRACTING

No part of this Agreement or the services to be performed hereunder shall be delegated, assigned or subcontracted by the Consultant without prior written consent of the Corporation.

### 16. BINDING UPON SUCCESSORS

This Agreement shall be to the benefit of, and be binding upon, the Parties hereto and upon their executors, administrators, successors and approved assigns, if any.

### 17. EXTENSIONS

The Term of this Agreement may be extended two (2) times for up to two (2) years each under the same terms and conditions, including pricing and payment, in the sole discretion of the Corporation upon written notice to the Consultant at least thirty (30) days prior to the then current expiry date of the Term or extended Term of this Agreement.

### 18. AMENDMENTS

This Agreement may only be amended by a written agreement, duly signed by an authorized representative of each Party.

## 19. COMPLETE AGREEMENT

It is agreed that this Agreement embodies the entire agreement of the Parties with regard to the matters dealt with herein, and that no understandings, or agreements, verbal or otherwise, exist as between the Parties except as expressly set out herein.

## 20. MISCELLANEOUS

- 20.1 Time shall be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement shall operate as a waiver of this provision.
- 20.2 Unless otherwise provided for herein, all monetary amounts referred to herein shall refer to the lawful money of Canada.
- 20.3 The division of this Agreement into articles and sections is for convenience of reference only and shall not affect the interpretation or construction of this Agreement.
- 20.4 Words importing the singular number shall include the plural and vice versa, words importing the use of any gender shall include the masculine, feminine and neuter genders and the word "person" shall include an individual, trust, partnership, body corporate, association or other incorporated or unincorporated organization or entity.
- 20.5 A term or condition of this Agreement can be waived or modified only by a written agreement between the Parties. Forbearance or indulgence by either party in any regard shall not constitute a waiver of the term or condition to be performed, and either party may invoke any remedy available hereunder or by law despite such forbearance or indulgence.
- 20.6 This Agreement shall be interpreted and governed according to the laws of the Province of Alberta, and the forum for all disputes shall be the Courts of the Province of Alberta.
- 20.7 If any provision of this Agreement is declared by a court of competent jurisdiction to be invalid, illegal or unenforceable, that provision shall be severed from the Agreement, and the other provisions shall remain in full force.
- 20.8 The Consultant has a duty to notify the Corporation forthwith and in writing of any known event or circumstance which would have a material adverse effect on the Consultant's ability to perform the Services.
- 20.9 The Consultant will not in any manner whatsoever hold itself out as representing the Corporation or speaking on behalf of the Corporation, provided however that the Consultant shall at all times in the exercise of its obligations under this Agreement, identify itself as a person or corporation working under contract to the Corporation.

20.10 The Consultant will not in any manner whatsoever commit or purport to commit the Corporation to the payment of any money or enter into any contracts or agreements on behalf of the Corporation.

IN WITNESS WHEREOF the Parties hereto have entered into this Agreement as of the day and year first above written.

ALBERTA LOCAL AUTHORITIES PENSION PLAN CORP.

Per: \_\_\_\_\_ Date \_\_\_\_\_

[CONSULTANT'S NAME]

Per: \_\_\_\_\_ Date \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Witness Signature: \_\_\_\_\_ Date \_\_\_\_\_  
Witness Name: \_\_\_\_\_

**SCHEDULE A  
THE SERVICES**

*A complete description of the services to be provided by the Consultant will be listed here or attach the Consultant's proposal as Schedule A*

## SCHEDULE B FEE AND PAYMENT SCHEDULE

### 1. RATES

The Corporation will, in consideration of the Consultant performing in accordance with the terms of this Agreement, and to the satisfaction of the Corporation, pay the Consultant *[The arrangements for payment to the Consultant will be listed here.]*

Travel and out-of-pocket expenses are included in the above rates.

### 2. OUT-OF-POCKET EXPENSES *include this ONLY if expenses are in addition to the fee in Section 1*

The Corporation will reimburse the Consultant for all reasonable out-of-pocket expenses, including travel expenses, actually and properly incurred by the Consultant in connection with providing the Services. For greater certainty, out-of-pocket expenses comprise only sums paid by the Consultant to third parties and shall not include any sums, including administrative charges, payable to the Consultant.

### 3. INVOICING

The Consultant shall submit invoices each calendar month for all of the Services provided by the Consultant during the previous calendar month, excluding those for which a report or recommendation is outstanding at the end of the calendar month. The Corporation will, subject to the other terms of this Agreement, make payment for the Services within thirty (30) days following receipt of an invoice.