



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BRAD LANDER

ADDENDUM NO. 2

Notice of Search Title: Systematic Public Equity Investment Products

PIN: 015-258-320-00 QQ

Date: November 13, 2025

Contact: Samantha Bobb, Deputy Director of Contracts

Email: Systematicsearch2025@comptroller.nyc.gov

Subject: Addendum No.2 to the Notice of Search for Systematic Public Equity Investment Products
Questions & Clarifications

THE ADDENDUM IS ISSUED FOR THE PURPOSE OF RESPONDING TO OR CLARIFYING QUESTIONS RECEIVED RELATED TO THE NOTICE OF SEARCH (NOS) FOR SYSTEMATIC PUBLIC EQUITY INVESTMENT PRODUCTS AND IS HEREBY MADE A PART OF SAID NOTICE OF SEARCH FOR SYSTEMATIC PUBLIC EQUITY INVESTMENT PRODUCTS TO THE SAME EXTENT AS THOUGH IT WERE ORIGINALLY THEREIN. UNLESS OTHERWISE INDICATED BELOW, ALL TERMS AND CONDITIONS OF THIS INVESTMENT MANAGER SEARCH REMAIN THE SAME.

This addendum includes responses to questions received up to and including November 5, 2025, the submission deadline.

QUESTIONS AND ANSWERS:

See Questions and Answers on the following pages.

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No.	QUESTIONS	RESPONSES
1	<p>Impax would like to submit for the systematic search and has two products that meet the listed requirements. Impax is a fully sustainable asset manager that is aligned to your plans net zero implementation goals.</p> <p>However, we do not currently have a total systematic platform AUM size of \$10bn. Will the team be willing to consider products that are aligned from a net zero perspective and meet the strategy requirements, without the \$10bn platform scale?</p>	<p>The Minimum Requirements are as stated in the Notice of Search, and not subject to different interpretations for different organizations.</p>
2	<p>At Federated Hermes we are interested in responding to the NYC Systematic Public Equity Investment RFP, but I have a question regarding what systematic/quantitative strategies would be appropriate to submit for.</p> <p>In the "Scope of Service" section for US Equity benchmarks you list Russell 1000 and Russell 3000. Would it be appropriate to submit for strategies that don't specifically use these benchmarks? Specifically, would the following U.S. strategies and corresponding benchmarks be in the "Scope of Service"?</p> <ul style="list-style-type: none"> • small cap core (Russell 2000) • small cap growth (Russell 2000 Growth) • mid-cap growth (Russell MidCap Growth) • large cap growth (Russell 1000 Growth) • large cap value (Russell 1000 Value) 	<p>Note: this is not an RFP but a Notice of Search using a consultant driven process as described in the Notice. The Scope of Services does NOT include Growth/Value styles or small cap as a style.</p>
3	<p>I'm Michael Dayan with the Pension Solutions team at SocGen based in NYC. One example that we have seen increasing interest in from Public Pensions are strategies that use rules-based systematic equity strategies developed by SocGen's Quantitative Research team. These strategies would be implementable in a daily liquid, transparent, rules-based, and cash efficient overlay.</p> <p>I would love to have a quick touch base with you if this format would make sense for you. Please let me know your availability in the next couple of weeks.</p>	<p>Please see the Notice of Search for all contact information. We will contact you if your product is recommended by two or more consultants.</p>
4	<p>I recently saw the Notice of Search for Systematic Public Equity Investment Products and wanted to inquire whether there is any flexibility regarding the \$10 billion minimum in firm AUM.</p> <p>GlobeFlex Capital is a women-owned and women-led asset management firm with \$4.2 billion in assets under management, servicing 23 clients globally. Our ACWI ex-US Equity strategy, launched in 2010, has delivered strong and consistent outperformance over the long term. A concise profile is attached for your review.</p> <p>We would greatly appreciate the opportunity to be considered, as we believe our differentiated, research-driven process and stable, high-performing team could add meaningful value to the New York City Retirement Systems.</p>	<p>Same as response to 1. above.</p>

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5	<p>Regarding V. "Projected Timetable" are the following dates correct (2027)?</p> <ul style="list-style-type: none"> - Evaluation/Interviews/Selections April 2027 to September 2027 - Contract Funding & Start October 2027 thru December 2027 	<p>The "Projected Timetable" has been updated. Please see Addendum #1 dated 10/29/2025 and posted to the Comptroller website.</p>
6	<p>One question we would like to submit: We see that the use of derivatives in the strategies is explicitly forbidden. Can the investment vehicle through which NYC Retirement accesses the performance of the underlying strategy/stocks be via a Total Return Swap?</p>	<p>No.</p>
7	<p>Can you please confirm if low volatility systematic equity strategies would be considered?</p>	<p>Low volatility strategies would be considered if they meet the other requirements.</p>
8	<p>Could you please confirm that the data of March 31, 2025 is correct with respect to the current update of data in the respective databases? All Firms must ensure that they completely identify their Firm and product information in the aforementioned databases. Additionally, firms must ensure that the information (such as organization, product, returns, portfolio characteristics and AUM data) is current and accurate as of March 31, 2025.</p>	<p>The date has been changed to June 30, 2025 as per the Addendum #1 dated 10/29/2025 and posted to the Comptroller website.</p>
9	<p>We have a mix of products within our systematic platform (roughly 7) - some have a 5-year track record and some meet the AUM minimum – but we do not have one that has a 5-year track record and \$500m in AUM. For example, we have a small cap systematic strategy that has \$500m which will hit the 5-year track record shortly (December 2025). In addition, we have an opportunistic strategy that has a 5+ year track record but does not meet the AUM requirement. If the foundational process is similar across the systematic strategies; or if we are very close to meeting the 5-year track + AUM requirement, would it be possible to still submit the RFP?</p>	<p>The Minimum Requirements are as stated in the Notice of Search, and not subject to different interpretations for different organizations.</p>
10	<p>I am reaching out on behalf of Allianz Global Investors and Allianz Capital Partners of America regarding the upcoming RFP process for a systematic equity mandate. We wanted to confirm whether managers participating in this process are required to have a valid Qualified Professional Asset Manager (QPAM) exemption under ERISA. From the Notice of Search it seems like the answer is "no" (although the consistency with ERISA standards is highlighted) but would still be great to have a confirmation.</p>	<p>Firms should ensure their updated data is in the requisite databases as listed in the Notice of Search. We will address the requirement to have a QPAM exemption under ERISA at a later date.</p>

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11	Could you please confirm whether our participation is registered under AXA Investment Managers with AXA IM Equity QI Core Global Equity for the Systematic Public Equity Investment Products search for the NYC Retirement Systems?	Firms do not register for the Search, but participate at this stage by updating the requisite databases as listed in the Notice of Search.
12	Would you consider benchmarks that are not on your provided list?	As stated in the Notice of Search in Section III, Systematic public equity products that can be benchmarked to the indices listed, or similar indices, may be considered.
13	Is there a preferred international equity benchmark for this search and if so, would you like to see additional attribution analysis against your preferred benchmark?	There is no one preferred international equity benchmark.
14	Would you consider a strategy that is currently managed to the MSCI EAFE benchmark? If not, what is the best way to communicate that philosophically we are benchmark-agnostic and are happy to run the potential mandate to a preferred benchmark?	Yes.
15	We noticed that Callan requires an email confirming interest and the specific proposed products. For Wilshire and the consultants utilizing eVestment, is there any step to indicate which strategies we would like to propose for this search?	For Wilshire and the consultants using eVestment, there is no step to indicate strategies you would like to propose.
16	We understand the requirement for firm and product level information to be completed, but could you confirm if there are any specific fields that are mandatory outside of product, returns, portfolio characteristics and AUM?	We suggest managers provide as much data as possible so that the consultants can most effectively review manager products.
17	We noticed that under Scope of Services, the first section mentions that submissions may be benchmarked to indices that are similar to, but not explicitly a part of the provided list – could you please confirm whether the MSCI World will be an acceptable benchmark for strategy submissions?	Yes, products benchmarked to the MSCI World should be submitted to the databases.
18	Given our ability to customize portfolio parameters such as tracking error and benchmark while maintaining a consistent investment approach, are we able to submit one track record that represents our investment process or do we need to submit multiple track records for each of the underlying benchmarks for which we would like to be considered?	Data for each product should be populated in the databases used by the consultants.
19	Would the Comptroller's Office be willing to disclose the minimum investment size for this mandate?	Sizing of investments, if any, will be determined by the various NYC Retirement System Boards at a later date.
20	Could the Comptroller's Office clarify which specific data elements are required in eVestment/Callan/Wilshire? Our internal policies restrict us from disclosing certain portfolio characteristics on third-party databases. Would the Comptroller's Office be willing to accept a report containing equivalent information in lieu of providing these data through the databases?	No, all data submitted must be through the databases used by the consultants. At a later date, the Comptroller's Office may ask for additional information.

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21	<p>Our systematic public equity strategy provides investors with the flexibility to select both a benchmark and tracking error target, resulting in many variants of what we consider a single strategy. For other RFPs, we have aggregated assets across these variants to satisfy minimum AUM requirements. Would the Comptroller's Office accept this approach? Specifically, may we aggregate assets across these illustrative products to meet the \$500 million AUM minimum?</p> <p>Russell 1000 benchmark, long only, 100 bps tracking error: \$250M</p> <p>Russell 1000 benchmark, long only, 200 bps tracking error: \$100M</p> <p>Russell 1000 benchmark, long only, 300 bps tracking error: \$300M</p>	<p>Yes, the same product with the same benchmark but with slightly different tracking error parameters could be aggregated to meet the minimum AUM requirements.</p>
22	<p>If a firm offers multiple strategies that utilize the same systematic active investment process, can the combined assets across those related strategies be considered when evaluating minimum AUM requirements for eligibility? Or must the requirement be satisfied by the assets of each individual strategy alone?</p>	<p>The AUM requirements must be met at both the firm and product level.</p>
23	<p>As evaluations will not be completed until April 2027, can we update databases with strategies that are close to the \$500 million minimum, with the expectation they will meet the minimum by April 2027?</p>	<p>No.</p>
24	<p>Can one firm submit for multiple strategies?</p>	<p>One firm may update the databases for multiple strategies.</p>
25	<p>AllianceBernstein is considering updating the consultant databases for the attached RFP. Before doing so, we would like to inquire about the AUM requirements, and date requested.</p> <p>The RFP request the databases be updated as of March 31, 2025. As of March 31, 2025, AB does not have a firm platform AUM of \$10bn in systematic products. However, we received a number of inflows in Q2 and Q3, and do meet this AUM as of September 30, 2025.</p> <p>We meet the other performance track record and regulatory minimum requirements.</p> <p>Would you accept the more recent 9/30/25 AUM if we were to submit?</p>	<p>June 30, 2025 is the date that will be used to determine AUM eligibility.</p>
26	<p>Would there be flexibility in putting forward multiple strategies run by the same team--even if there are a few strategies that lack a 5-year track record?</p>	<p>All strategies must meet the minimum requirements.</p>
27	<p>Regarding characteristics, AUM, and personnel data – what is the scope of the search? Is there a focus on a 5-year period, data since inception, or another timeframe?</p>	<p>The initial consultant screen starts with the Minimum Requirements as stated in the Notice of Search.</p>
28	<p>Is the data being reviewed quarterly basis?</p>	<p>The data being reviewed is based on that captured by the databases used.</p>

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29	In addition to updating the appropriate consultant databases, should managers reach out directly to systematicsearch2025@comptroller.nyc.gov to confirm the relevant databases have been updated and intent to participate in the search? If so, what information would be helpful to share in this notice?	Not Necessary. Please comply with the instructions from <u>Section 2(D)</u> of Notice of Search solicitation.
30	Will the ability to factor in ESG/NetZero considerations into the portfolios be factored into the evaluation process?	The Evaluation Criteria are listed in the Notice of Search
31	For the custom MSCI ACWI portfolio option—structured as a composite of three sleeves (U.S. Equity, Developed ex-US Equity, Emerging Markets Equity)—how will performance be evaluated?	Performance would be evaluated against an appropriately weighted custom benchmark.
32	Will managers be expected to provide a simulated track record, or will NYC Retirement Systems determine the methodology independently?	Managers are expected to input live track records into the databases used by the consultants.
33	If selected as a pool manager but not initially allocated assets, what is the process for future consideration?	Depending on need, pool managers may or may not be re-evaluated at a later date.
34	Will pool managers be re-evaluated periodically, and are there specific triggers (e.g., manager termination, asset reallocation) that initiate a new selection?	There is no periodic re-evaluation of pool managers. Manager terminations or changes in asset allocations may create the need to hire managers from the pool.
35	With five consultants involved (Callan, Wilshire, GS Rocaton, NEPC, Segal Marco), is there a centralized submission process, or should managers submit materials separately to each consultant?	Information should be submitted to the databases used by the consultants as described in the Notice of Search.
36	It appears that Callan is the lead consultant. Will performance data from eVestment suffice, or are consultant-specific formats required?	Information should be submitted to the databases used by the consultants as described in the Notice of Search.
37	The notice specifies separate account management. Are there any operational or custodial preferences or constraints we should be aware of when proposing separate account structures?	All assets are expected to be custodied in separate accounts at State Street Bank.
38	Section IV outlines qualitative and quantitative factors for evaluation. Can you provide further guidance on how these factors will be weighted or prioritized (e.g., performance vs. organizational stability)?	No.
39	Does the Comptroller of the City of New York have Tracking Error and relative Return Targets for this Systematic Search?	No.
40	In the Proposed Evaluation Criteria, p. 9, paragraph B1, there is a mention of the “Nature and size of asset managed.” What does “Nature” mean in this context?	In this context "Nature" means constitution, character, essence, disposition, makeup.
41	Are submissions for products that are benchmarked to MSCI World suitable for this search?	Yes, products benchmarked to the MSCI World should be submitted to the databases.
42	When submitting a proposal for an ACWI mandate, would it be suitable to provide a combination of live Global Developed Markets and Emerging Markets track records, with the understanding that those regions can be managed in an integrated manner relative to the MSCI ACWI Index?	All relevant data should be entered into the databases used by the consultants.
43	When will managers on the shortlist be notified that they are on the shortlist?	Managers will be notified as soon as the required information is received from all 5 consultants.