

CITY OF MOBILE, ALABAMA
POLICE AND FIREFIGHTERS' RETIREMENT PLAN
CUSTODIAN BANKING SERVICES REQUEST FOR PROPOSAL

September 1, 2025

**CITY OF MOBILE, ALABAMA
POLICE AND FIREFIGHTERS' RETIREMENT PLAN**

**CUSTODIAN BANKING SERVICES
REQUEST FOR PROPOSALS**

Section I – Background

The City of Mobile, Alabama Policemen's and Firefighters' Retirement Plan ("the Plan") is a tax-qualified, defined-benefit plan serving over 1,600 members, close to 900 of which are active employees. Assets currently under investment are valued at approximately **\$345 million** dollars. **Principal Custody Solutions** is the current custodian and is invited to re-bid.

Section II – Administrative Matters

A. Minimum Eligibility Requirements.

The proposing institution must:

1. Be authorized to conduct a trust/custodian/institutional asset management business, including the required services listed in this RFP, and be authorized to conduct business in the State of Alabama;
2. Have been providing institutional custody services for a minimum of ten (10) years
3. Assign an account administrator (the individual primarily assigned to work with the Plan) that has a minimum of five (5) years of experience in custody.
4. Complete the RFP questionnaire in its entirety
5. Have a Liability and Professional Errors and Omissions Insurance Policy in the minimum amount of \$75 million U.S. Dollars at the time the contract is awarded and throughout the term of the agreement.

B. Schedule.

The following schedule has been set by the Board and may be changed by the Board if necessary. Firms will be notified electronically if the schedule is changed.

- | | |
|---------------------------------------|--------------------|
| • RFP ISSUE | September 2, 2025 |
| • WRITTEN QUESTIONS RE: RFP DUE | September 15, 2025 |
| • PROPOSAL RESPONSES DUE | September 30, 2025 |
| • FINALISTS' PRESENTATIONS AND AWARD | October 28, 2025 |
| • PREFERRED TRANSITION EFFECTIVE DATE | December 31, 2025 |

C. Contact Person.

All communications concerning this RFP shall be directed to:

Kathlyn Scott
Deputy Director of Pensions
Mobile Government Plaza
205 Government Street, 4th Floor
Mobile, AL 36644
251-208-7360
251-208-7366 (FAX)
kathlyn.scott@cityofmobile.org
(with a CC to tyler.grumbles@mariner.com)

D. Questions and Answers.

All questions about this RFP must be in writing, addressed to the contact person. Responses will be in writing in a consolidated Q&A format that will be posted on the website.

E. Proposals.

All interested firms should deliver twelve bound copies of their responses (one of which is clearly marked as an original) to the contact person by mail or express delivery. Additionally, an electronic copy of the full proposal must be sent to kathlyn.scott@cityofmobile.org and tyler.grumbles@mariner.com. All proposals (hard copy and electronic copy) must be received no later than 12:00pm CDT on the due date. Proposals or parts of proposals received after the due date and time will not be considered. There will be no waivers or exceptions granted for untimely delivery.

F. Public Records.

All proposals shall be considered public records and shall be available for viewing and reproduction as allowed by law.

G. Rules Regarding Contacts.

The Board reserves the right to request additional information from any respondent; however, no respondent may contact any Board or staff member, other than the contact person, during the proposal period.

H. Right to Cure.

The Board reserves the right to waive or permit the cure of non-material variances in a bid proposal.

I. Evaluation of Proposals.

The Board and/or its designees will evaluate proposals. During the evaluation process, the Committee may request any or all firms to make oral presentations. The Committee may select up to three finalists to present to the full Board. Finalists may present additional written information.

J. Selection Criteria.

Firms will be judged based upon the following weighted criteria:

Background:	5%
General Information:	15%
Administration & Staff:	5%
Investment Manager Liaison Group:	5%
Data Processing/Computer Systems:	15%
On-Line Communications:	5%
Accounting/Reporting:	10%
Securities Processing:	5%
Procedures and Controls:	10%
Cash Management:	5%
Transition/Conversion Process:	5%
Fees:	15%
Total	100%

K. Contract Negotiation and Award.

A written contract will be required and is subject to approval of Board Counsel. The Board reserves the right to award all, part, or none of this contract and may award contracts to more than one firm. The laws of the state of Alabama will govern all contracts. Firms are responsible for ascertaining the pertinent legal requirements and restrictions. All litigation or other action commenced regarding this RFP shall be brought in Mobile County, Alabama. Please attach a sample contract to your response at Appendix D.

Section III – SCOPE OF SERVICES

The Proposer must indicate which of the below services they can deliver. The Board reserves the right to award less than all the services to the winning Proposer, or to split the award by awarding some services to multiple Proposers, in its discretion and subject to the agreement of the awardee(s). The Proposer must acknowledge in writing as part of the letter of transmittal which of the services can be delivered in the order that they are presented below.

A. Accounting

1. Trade-date and Settlement-date accounting for all securities and full accrual accounting for all assets (in USD). Please note whether accounting for international (Non-USD) securities can be

local currency if requested.

2. Accounting services for the following:
 - Corporate actions, including, but not limited to, mergers, acquisitions, tenders, stock splits, warrants, spin-offs, dividends and interest.
 - Domestic and international fixed income and equity portfolios
 - Dividend reinvestment programs.
 - Private Placements.
 - Alternative investments, including domestic and non-U.S. limited partnerships for leverage buyouts, venture capital, etc.
 - Commingled Funds.
 - Equity real estate and REIT portfolios.
3. Payable date posting for dividends, bond interest and principal, and interest and paydown on mortgage pass-through certificates.
4. Accounting must be on a fiscal year basis, October 1 to September 30.
5. A secondary pricing source for comparison to the primary source for pricing securities.
6. All investments must be reported at cost and market value. Gains and losses on securities sold must be recognized based on the average cost of the securities.
7. Notification of corporate actions regarding subscriptions, conversion privileges, issuance of rights, mergers, reorganizations, and other actions requiring a decision by The City of Mobile Police and Firefighter's Retirement Plan.
8. Monthly reconciliations between custodian and investment manager.
9. Notification of material variances between custodian and investment managers, along with steps taken to reconcile, adjust, or justification for unresolved variances.
10. Provide annual assistance and support for audit reports and actuarial reports for the fiscal year ending September 30.

B. Securities Settlement

1. Participating member access to securities settlement through Depository Trust Company, Federal Reserve wire system, and at other depositories (both domestic and international).
2. The ability to settle physically held securities.
3. The ability to execute foreign exchange transactions.

4. Fail float protection; including interest on purchases fail float and contractual settlement date posting of sales.
5. Electronic access to trade data by consultants and investment managers.
6. Settlement on a delivery versus payment basis.

C. Cash Management

1. Provide a Short-Term Investment Fund (STIF) for daily cash sweeps. Maintain daily sweep activity for the purpose of transferring uncommitted funds from the individual external manager custody accounts.
2. Income earned by STIF or other cash accounts must be compounded daily.
3. Income earned, redemptions and maturities must be credited to the proper account.
4. Cash flow from purchases and sales must be credited on the contractual settlement date.
5. At the direction of The City of Mobile Police and Firefighter's Retirement Plan, provide overnight investment management services for the funds received too late to be invested.
6. Provide same day settlement of cash trades.
7. Transfer cash between accounts and make and accept wire transfers of funds and ACH transfers of funds.
8. Show here the last twelve (12) and thirty-six (36) months net returns and average maturities for your two (2) most widely used cash sweep vehicles, and the basic investment characteristics (government, Treasury, diversified).
9. Explain negative interest rates on foreign deposits, if any, and estimate the cost to the Plan for such holdings (if applicable).

D. Corporate Actions, Class Actions, and Proxy Services

1. Provide company annual reports, proxy voting cards and proxy statements to the Board or designated proxy voting provider prior to annual and special meetings for U.S. and foreign corporations.
2. Provide notification of pending corporate actions, including conversion privileges, issuance of rights, mergers, tender offers, reorganizations, other actions requiring decisions and applicable legislative actions.
3. Provide notifications of class action litigation and provision of the necessary securities

information.

4. File claims for securities class action awards and monitor collection of the amounts to which the Plan is entitled.

E. Technology

1. Provide a web-enabled or internet-based system with access management information and accounting systems with the capability of providing the following information:
 - Current and historical performance.
 - Current and historical prices, market values and exchange rates in effect at times of pricing international securities.
 - Composite portfolios.
 - Current and historical transactions (as defined and agreed to by both parties) by security, by account and by asset class.
 - Current and historical holdings (as defined and agreed to by both parties) in any aggregate.
 - Performance aggregate data.
 - Tracking and reporting on pending class actions, exposures, filings and other deadlines.
 - Performance and analytic databases.
 - Customized reports as required.
 - Ad hoc query and reporting.
2. Provide state-of-the-art back-up systems to minimize loss of data, minimize system downtime, and provide instant availability of information.
3. Ability to provide disaster recovery and business continuity services in the event of a disaster or other extraordinary event.
4. The ability to provide data feeds to a third-party firm as required, such as MSCI.

F. Reporting Requirements

1. Provide accounting reports, including a balance sheet, and income statement, to be received monthly no later than six (6) business days following the end of each month.
2. Provide an accurate report of all holdings, transactions and other pertinent investment data, in a format agreed to by both parties, no later than thirty (30) calendar days after the end of each fiscal year (September 30).
3. Provide monthly and quarterly analytic reports in a format acceptable to the Board.

4. Provide report for listing of largest assets held, for both stock and bond holdings.
5. Provide tracking of brokerage commissions paid by individual and groups of managers to specific brokers including tracking specific service classes by manager and groups, and the commission per dollar of cost and per share by broker.
6. Provide fiscal year end (September 30) reports to comply with Government Accounting Standards Board (GASB) reporting requirements.
7. Access to reports for daily transactions including domestic trades, affirmed, unaffirmed, failing, pending, etc.
8. Provide other reports as may be requested by the Board.
9. Provide a securities litigation report on a bi-annual basis or more often as requested by the Board.
10. Provide any ad-hoc reports required to fulfill the Freedom of Information Act requests.

Section IV – RFP Questionnaire

A. Background

1. In what year did you initiate your Custodian Services?
2. Please provide a brief history of your firm's experience with Master Trusts, custody, safe-keeping, clearing and lending services and a detailed discussion of special expertise or unique capabilities. Please describe your strengths that differentiate you from other service providers.
3. How do you define fiduciary responsibility?
4. Describe any ongoing educational programs, user conferences, publications or other means you have of keeping clients fully educated and providing a forum for new ideas and needs.
5. How does your organization support the advancement of system technology? Briefly describe your organizational goals and philosophy regarding systems. Describe the bank's commitment (in dollars) toward future systems development and software.

B. General Information

1. What is the total number of your Master Trust/custody clients?
2. What is your average client size in terms of assets?
3. What is the total market value of all your Master Trust/custody clients?

4. Detail the growth of Master Trust/custody relationships during the past five years in terms of clients and asset values. Have any clients been lost in the last three years? If so, why?
5. Please provide a list of Public Fund clients for which you provide custody services. Also, provide a list of Alabama based clients.
6. Do you have commercial branches in Alabama?
7. Please provide a list of three references (including company name, contact, and title and telephone number).
8. What percentage of bank revenue does the Master Trust business generate?
9. Describe your policies regarding confidentiality of client information.
10. Please provide a statement regarding the bank's commitment to continuing to provide custodial services.

C. Administration and Staff

1. Describe the personnel that are dedicated to public fund clients, in terms of years of experience and client load.
2. Describe your personnel training programs, compensation plans and opportunities for growth for your staff.
3. Describe the procedures that you utilize to assure continuity of services during vacations or other absences occurring within your account administration area.
4. What level of employee turnover have you experienced in the last three years?

D. Investment Manager Liaison Group

1. Describe how your organization interacts with investment managers.
2. What is the background of the typical employee who interfaces with the manager?
3. Through what vehicles can managers communicate trade data? Do you use the DTC manager affirmation system? For other managers do you have an automated system such as PC download of trades?
4. What procedure is used to ensure accurate information is entered into the system? How is trade information matched between manager and broker? What automatic edits are built into the system? What is the error rate on trade input?
5. How many investment managers do you work with, what is the total number of manager accounts serviced and how many accounts per employee?

E. Data Processing/IT Systems

1. Please indicate the location(s) of your administrative operations and computer facilities that support your custody operations.
2. Indicate how long the current hardware has been in use.
3. Please describe your system's software. Indicate who designed the software (in-house versus purchased) and how long the current software has been in use.
4. Define the systems support available to your master trustee/custody services.
 - Backup and recovery capabilities.
 - Security and emergency arrangements.
 - Downtime experience.
5. Do you share computers with other areas of the bank, or do you have a separate dedicated facility? If you share, what priority does the master trustee/custody group have for computer usage?
6. Describe the significant system enhancements, changes and/or additions to the master trust and custody systems that have been implemented over the past two years. What system enhancements, changes and/or additions are being considered over the next two years?
7. Do you plan any major system conversions within the next two years?
8. Are reports available "on-line" through computer interaction, microfiche or hard copy? What is the respective cost for these and when are they available?
9. Which portion of your reporting system is not yet automated? If not fully automated, when is the projected completion date?
10. If your system's price is holding, how often are domestic and foreign prices updated? What are your domestic and foreign pricing sources and how are prices verified?

F. On-line Portal

1. What reports and functions are available online? Please provide examples.
2. How current are the transactions and valuations?
3. How many of your clients are currently regular users of the on-line service?

G. Accounting and Reporting

1. Describe your accounting and reporting system.
2. Describe what format is used to report data (i.e. trade-date, settlement date or cash-basis).
3. What reports are provided as part of your standard master trust package? How frequently are they produced and how quickly are they distributed? Please list and describe each report separately along with the date mailed to the client and provide examples of these reports.
4. How are special requests handled? Is your system flexible enough to accommodate tailored reporting requirements?
5. How do asset valuations and transactions statements reflect pending transactions?
6. How do asset statements reflect accrued items such as accrued income and expenses?
7. Is interest and dividend income reported on a cash or accrual basis? When are income payments on governments, corporate bonds, GNMA's or short term-paper credited? Is income earned in Fed funds, clearinghouse funds or other?

H. Securities Processing

1. Describe your procedures for processing trade instructions for domestic and international securities.
2. Which major depository and clearinghouse facilities are you a member of?
3. Do you provide trade affirmation services?
4. Are there any restrictions as to the type of securities that may be held in safekeeping? If so, what are they?
5. Discuss your procedures for tracking failed trades, reporting failed trades to clients and investment managers, and resolving failed trades. Is there a standard report of failed transactions outstanding?
6. Please describe how you distribute and keep track of proxy information. Give examples of any reports you produce that are available to clients. What is the price of this service, if any?

I. Procedures and Controls

1. Is there a general audit system in place? Is it certified by a major public accounting firm? Discuss frequency and scope of review performed.
2. What securities pricing services are utilized for each asset category and how are the prices verified?
3. What is your system of quality control to ensure reporting accuracy?

4. What internal audit procedures and checks exist to assure that the following reported data is valued or authorized?
 - Disbursements
 - Fee payments
 - Commission rate and payees
 - Interest and dividend received
 - Contributions
 - Accrued Income
5. Is there a disaster recovery system in place?
6. What controls are in place to ensure that account activity is within the policies set by the client?
7. What type of insurance coverage is carried by your institution with respect to any acts or omissions of directors, officers and other personnel resulting in loss of funds?
8. Describe the daily notification procedures to advise fund managers of transactions and cash balances available for investment.
9. Describe your current cybersecurity program. List any standards or guidelines that you currently adhere to (e.g. the U.S. Securities and Exchange Commission's Office of Compliance Inspections and Examinations Cybersecurity Initiative, or other similar) and describe any ongoing procedures to ensure that such guidelines are always followed and remain current.

J. Cash Management

1. Describe your policies concerning:
 - Collection and crediting of interest and dividend income
 - Automatic investment of cash balances.
2. Describe your investment vehicles used for short-term cash reserves. Include fees, objectives and performance data for the last five calendar years.

K. Transition Period

1. Provide a detailed task listing and schedule on how you would approach the conversion process, including actions required on the part of the client and the timeframe of completing each task. Clearly describe the conversion process: who is responsible for coordinating

activities, who must participate and what activities must occur. Detail the type and amount of resources required from the client.

2. Please specify if you have a dedicated conversion team. What dedicated resources and procedures and controls will you provide or recommend in the transition/conversion period to ensure that the conversion process is completed successfully in a timely and accurate manner?
3. How do you process transactions, which are pending during the transition/conversion period?
4. What cost is associated with a conversion/transition?
5. What amount of lead-time is necessary to proceed with the conversion?

Section V – Fees

Please provide a standard, unbundled fee schedule. If there is a bundled fee structure, you may include that as well (with specific details of what costs/service it includes). However, all respondents must provide the unbundled fee schedule to be considered. Please note differences in costs for accounts that are separately managed by an external investment manager vs. accounts that hold line items entries (i.e.---shares of one mutual fund instead of a portfolio of multiple stocks). Please also note if the annual cost is determined on total plan market value (regardless of number of accounts) or whether the cost is determined by the total number of individual Plan accounts.

Appendices

Appendix A. Biographies

Include biographies for all team members listed in your proposal. Indicate what year each member joined your firm and describe his or her position, current responsibilities, areas of expertise, experience, education, professional designations and memberships.

Appendix B. Sample Contract

Attach a sample contract.