REQUEST FOR PROPOSALS

for the

BAY MILLS INDIAN COMMUNITY MICHIGAN INDIAN LAND CLAIMS SETTLEMENT ACT (MILCSA) INVESTMENT MANAGER

TO
Investment Management Service Providers

DUE
March 2, 2020 by 4 p.m. EST

REQUESTED BY
Albert Bertram, Chief Financial Officer
Bay Mills Indian Community
12140 W. Lakeshore Drive, Brimley, Michigan 49715

PROPOSAL & SELECTION TIMELINE

- February 17th, 2020: RFP issued and advertised.
- February 21st, 2020: Pre-proposal questions (in writing) due.
- February 25th, 2019: Responses to pre-proposal questions issued.
- March 2nd, 2020: Window for accepting proposals closes at 4 p.m.
- March 2nd through 9th, 2020: Evaluation of proposals completed.
- March 9th through 20th, 2020: Interviews scheduled, and conducted, if needed.
- March 23rd through 27th, 2020: Notification made to all applicants.

THIS IS A QUALIFICATION AND PRICE BASED SELECTION PROCESS.
CONFIDENTIALITY STATEMENT

The information outlined in this RFP is confidential and only meant for the intended recipients. Any review, use, dissemination, distribution, or copying of the Tribal information enclosed is strictly prohibited. Likewise, the Bay Mills Indian Community will not disclose, share, copy, disseminate, or distribute any information submitted by any bidder outside our intended or necessary review and/or approval offices, which includes the Executive Council.

SUMMARY & BACKGROUND

The Bay Mills Indian Community (“BMIC” or the “Tribe”) is a federally recognized sovereign nation located in the rural eastern Upper Peninsula of Michigan on the shores of Lake Superior. The people of Bay Mills are Ojibwa (or Chippewa) and have resided in this area since time immemorial. BMIC was granted a federal Corporate Charter pursuant to Section 16 of the Indian Reorganization Act on June 18, 1934. BMIC is one of the four original reservations established in Michigan. There are currently 2,206 enrolled Tribal members, with approximately 1,388 members living within the tri-county (Chippewa, Luce, and Mackinac counties) service area.

The United States of America (USA) established two separate trust accounts with the passage of the Michigan Indian Land Claims Settlement Act (MILCSA). The law can be reviewed by following this link: https://www.congress.gov/105/plaws/publ143/PLAW-105publ143.pdf. One can also search for “Michigan Indian Land Claims Settlement Act” to find specific information on the law. To summarize, the law established two separate trusts for BMIC: 1) the Land Trust Fund and 2) the Land Claims Distribution Trust Fund. These two trusts are distinct and serve different purposes.

The Land Trust was established to improve or expand the landholdings of BMIC. Specifically, the law stated, “The earnings generated by the Land Trust shall be used exclusively for improvements on tribal land or the consolidation and enhancement of tribal landholdings through purchase or exchange. Any land acquired with funds from the Land Trust shall be held as Indian lands are held.” This trust is to be invested for growth toward future purchases and improvements.

The Land Claims Distribution Trust Fund (Land Claims Trust) provides annual payments to tribal elders, as outlined in the law. The law provides that 90% of the annual earnings shall be distributed on October 1st each year and 10% should be reinvested into the corpus. In this way, the Land Claims Trust seeks to maximize annual payments, while simultaneously achieving long-term growth. Knowing this, a successful proposal will clearly articulate a plan to achieve those two goals.

The purpose of this request for proposals (RFP) is to solicit proposals from multiple firms to ensure the Tribe is maximizing its return value associated with the management of both trust accounts. The proposal seeks to identify recommendations for both trusts separately. A successful proposal requires familiarity with the MILCSA and incorporates that information into the proposal.

PROPOSAL GUIDELINES

This RFP represents the requirements for an open and competitive process. Proposals will be accepted until 4 p.m. on March 02, 2020. No proposals will be considered after the deadline. BMIC requires the proposals to be signed by an official agent or representative of any firm that submits a proposal. This is a qualification and price based selection process.

Please refer to the requirements outlined in the other sections of this RFP for further clarification on what a strong proposal should include.
RFP PURPOSE & DESCRIPTION

Purpose:
The primary objective of this RFP is to establish a fresh look at the investment potential associated with both Trust accounts. A future separate investment account may be desired, but the scope of this RFP is limited to the MILCSA Trust accounts. A successful proposal differentiates his or her organization from others, as it pertains to managing the two MILCSA Trust funds.

Description:
Proposals must demonstrate expertise and experience. A successful proposal won’t simply provide technical investment numbers, it will provide clear and concise information and visuals to explain the information. Written narratives or presentations are welcome and encouraged. A recommendation should be made to quantify how much unrealized gains to “realize” each year and long-term, if applicable. Such a recommendation may be a value based percentage or a specific dollar amount. A successful proposal will provide a recommendation that addresses both times of market growth and decline.

PROJECT DELIVERABLES

The following items are available, upon request in writing by February 21st, 2020, to assist you in better understanding BMIC and its investment needs:

- A copy of BMIC’s current investment policy.
- Account balances and information, including elder count and share amounts.

To receive this additional information, please send an email request to abertram@baymills.org.

PROPOSAL REQUIREMENTS

The following items should be specifically addressed in the proposal submitted and must reference the item number below:

1.0. Company information.
1.1. Year organized.
1.2. Number of clients.
1.3. Type of clientele (defined by industry and size of portfolio).
1.4. Number of staff (i.e., investment-related staff only).
1.5. Assets under management.
1.6. Number of offices.
1.7. Location of corporate headquarters.
1.8. Related organizations.
1.9. Discussion of any past or present litigation or regulatory actions against your firm.

2.0 The qualifications of your firm and its ability to provide investment management services.
2.1. Qualifications of principals and professional staff (Please specify those individuals who will be directly responsible for this account).
2.2. Number of years of experience in investment management.
2.3. Discussion of investment philosophy.
2.4. Discussion of your customer service philosophy.
2.5. Summarize your ability to serve as a fiduciary and any fiduciary designations earned by your firm.
3.0 Relevant experience with other similar Tribes.
3.1 Include a list of your Tribal clients.
3.2 Include three specific references that we may contact (Clients most similar to BMIC in 1) type and size of business and, 2) similar services requested, are recommended).

4.0 Reporting, portfolio evaluation and review of accounts.
4.1 Frequency of reporting to clients (e.g.: monthly, quarterly).
4.2 Form of your reports (please provide sample).
4.3 Frequency of portfolio evaluation.
4.4 Frequency of account review by your firm and willingness to meet with management to make recommendations and discuss performance.

5.0 Recommended asset allocation.
5.1 Recommended asset allocation and estimated annual rate of return.
5.2 Include an analysis of the efficient frontier for the recommended asset allocation and a discussion of the risk/reward spectrum for your recommendation(s).
5.3 For the investments included in your recommended portfolio, please provide a current (as of recent date here), one, three, five and ten year annual returns compared to relevant indices.

6.0 Recommended changes to the investment policy.
6.1 Effects on efficient frontiers and specific returns.
6.2 Effect on your fees, if any.
6.3 Rationale for recommendations.

7.0 Insurance.
7.1 Provide a listing of applicable insurance coverage maintained with relevant coverage limits.
7.2 Provide the name of your primary insurance carrier and their related AM Best rating.

8.0 Research and investment decisions.
8.1 Provide research methods and resources (external and internal).
8.2 Discussion of investment decision making process (committee, portfolio manager, external investment managers, etc.).

9.0 Fees.
9.1 Indicate all fees involved for each of the services you are proposing to provide.
9.2 Include a breakout of the initial and ongoing consulting fees and the custodial and Management fees as a percentage of the dollar value of the assets.
9.3 Discuss the frequency in which such fees will be evaluated and the maximum amount of any increase to be expected.

10.0 Other Services, if any.
10.1 Please address any alternative or additional services that you are capable of providing that may be of benefit to BMIC.
10.2 Discuss your experience in rendering such services, as it pertains to MILCSA Trust accounts, if any.
10.3 Provide a proposed overview of the process and timeline to transition the Trust assets, if selected.

**SELECTION PROCESS AND TIMING**

We will review all proposals based on the criteria outlined above and the evaluation criteria on the last page. Those firms whose proposals are selected for further consideration may be asked to make a personal presentation to us and/or answer questions in advance of our final selection.
REQUEST FOR PROPOSAL TIMELINE

Below is the tentative timeline for the RFP process:

- **February 17th, 2020**: RFP issued and advertised.
- **February 21st, 2020**: Pre-proposal questions (in writing) due.
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- **March 23rd through 27th, 2020**: Notification made to all applicants.

DEADLINE & CONTACT INFORMATION

Those submitting a proposal must submit them by 4 p.m. EST on March 2, 2020. **Hard copy submissions required. Those mailing copies should send, at a minimum, 5 copies.** A digital copy is also appreciated. A digital copy may be sent to abertram@baymills.org. The mailing address for the paper copies is below:

Bay Mills Indian Community  
Attn: Albert Bertram, CFO  
Bay Mills Indian Community  
12140 W. Lakeshore Drive, Brimley, Michigan 49715

Hand delivered proposals may be brought to the above address.
# PROPOSAL EVALUATION CRITERIA

A committee of BMIC and local stakeholders will evaluate proposals based on the criteria in the table below.

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<th>Excellent (4)</th>
<th>Good (3)</th>
<th>Fair (2)</th>
<th>Poor (1)</th>
<th>Missing (0)</th>
<th>Score</th>
<th>Comments</th>
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<td>Competitive returns on investments proposed</td>
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<td>Clear, differentiated recommendation on each Trust</td>
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<td>Clearly demonstrated how to quantify annual payment value in Land Claims Trust</td>
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<td>Demonstrated clearly how to address the competing goals of annual payments and LT growth in the Land Claims Trust</td>
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<td>Provided a clear and concise reporting template</td>
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<td>Provided information in a clear, informative, and understandable manner</td>
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<td>Competitive and transparent fee structure</td>
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<td>Firm has testimonials from previous clients</td>
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