



## AGENDA

**Date:** August 5, 2016

The regular meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, August 11, 2016, in the Second Floor Board Room at 4100 Harry Hines Boulevard, Dallas, Texas.** Items of the following agenda will be presented to the Board:

### **A. MOMENT OF SILENCE**

### **B. CONSENT AGENDA**

#### **1. Approval of Minutes**

Regular meeting of July 21, 2016

#### **2. Approval of Refunds of Contributions for the Month of August 2016**

- 3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for August 2016**
- 4. Approval of Estate Settlements**
- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Approval of Five-Year Certificates for the Quarter 2016**
- 8. Approval of Payment of Military Leave Contributions**
- 9. Approval of Payment of DROP Revocation Contributions**

**C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION**

**1. Legal issues**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

- a. Police Officer and Firefighter pay lawsuits**
- b. Potential claims involving fiduciaries and advisors**
- c. 2014 Plan amendment election and litigation**
- d. CDK Realty Advisors LP v. Dallas Police and Fire Pension System**

**2. Spouse Wed After Retirement (SWAR)**

Portions of the discussion under this topic may be closed to the public under the terms of Sections 551.071 and 551.078 of the Texas Government Code.

**3. Outside Counsel interviews and selection**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

**a. Fiduciary Counsel**

**b. Tax Counsel**

**4. Transition Management Services**

**5. Financial reports**

**6. Budget review for the first six months of Calendar Year 2016**

**7. Investment reports**

**8. W. R. Huff Asset Management – W.R. Huff High Yield**

## **9. Possible Plan amendments**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

- a.** Election Policy and process
- b.** Long-Term Financial Stability Sub-committee recommendations for possible Plan amendments
- c.** Discussion of possible Plan amendments

## **D. BRIEFING ITEM**

### **Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System**

The term “possible action” in the wording of any Agenda item contained herein serves as notice that the Board may, as permitted by the Texas Government Code, Section 551, in its discretion, dispose of any item by any action in the following non-exclusive list: approval, disapproval, deferral, table, take no action, and receive and file. At the discretion of the Board, items on this agenda may be considered at times other than in the order indicated in this agenda.

At any point during the consideration of the above items, the Board may go into Closed Executive Session as per Texas Government Code, Section 551.071 for consultation with attorneys, Section 551.072 for real estate matters, Section 551.074 for personnel matters, and Section 551.078 for review of medical records.



## ITEM #A

# MOMENT OF SILENCE

In memory of our Members and Pensioners who recently passed away

(July 8, 2016 – August 2, 2016)

FIRE	ACTIVE/ RETIRED	DEPARTMENT	DATE OF DEATH
Charles R. Bailey	Retired	Fire	July 8, 2016
Auby R. Henson	Retired	Police	July 18, 2016
Jack Y. Alvis	Retired	Police	July 22, 2016
Don Atkins	Retired	Police	July 28, 2016
Richard L. Nunez	Retired	Fire	July 29, 2016
Kenneth S. Buckley	Retired	Fire	July 30, 2016
Hans A. Campbell	Active	Police	August 2, 2016

*Regular Board Meeting – Thursday, August 11, 2016*

**Dallas Police and Fire Pension System**  
**Thursday, July 21, 2016**  
**8:30 a.m.**  
**4100 Harry Hines Blvd., Suite 100**  
**Second Floor Board Room**  
**Dallas, TX**

Regular meeting, Samuel L. Friar, Chairman, presiding:

**ROLL CALL**

**Board Members**

Present at 8:30 Samuel L. Friar, Joseph P. Schutz, Brian Hass, Tho T. Ho, Gerald D. Brown, Clint Conway, John M. Mays  
Present at 8:37 Philip T. Kingston  
Present at 8:48 Scott Griggs  
Absent: Kenneth S. Haben, Jennifer S. Gates, Erik Wilson

**Staff**

Kelly Gottschalk, Summer Loveland, John Holt, Corina Terrazas, Damion Hervey, Kelly Dean, Pat McGennis, Ryan Wagner, Milissa Romero, Greg Irlbeck, Linda Rickley

**Others**

Deborah Brigham, Jill Svoboda (by telephone), Rachel Pierson, Bohdy Hedgcock, Ian McKay, Ken Sprecher, Jerry M. Rhodes, Edward Scott

\* \* \* \* \*

The meeting was called to order at 8:30 a.m.

\* \* \* \* \*

**A. EVENTS OF JULY 7, 2016 INVOLVING DFPF MEMBERS**

**1. Moment of silence**

The Board observed a moment of silence in memory of active police officers John C. Robinson, Michael L. Krol, Michael J. Smith, Patricio E. Zamarripa and Lorne B. Ahrens, retired police officers Robert J. Crider, II, William F. Turnage, Bobby D. Williams, and retired firefighters Jim W. Calloway, Haskell L. Willeford, V. W. Gunter, Leland G. Hancock, Burl W. Martin, and Sim R. Caldwell.

No motion was made.

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**Regular Board Meeting  
Thursday, July 21, 2016**

**2. Requests to help**

Ms. Gottschalk reported that staff have received many offers from managers and vendors to DPF to help the families of the officers who were killed or injured on July 7, 2016. After discussion, the Board designated the Assist the Officer Foundation as the organization to which to direct those who wish to donate funds to help the families of the fallen officers.

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**B. CONSENT AGENDA**

**1. Approval of Minutes**

Regular meeting of June 9, 2016

- 2. Approval of Refunds of Contributions for the Month of June 2016**
- 3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for July 2016**
- 4. Approval of Estate Settlements**
- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Approval of Alternate Payee Benefits**
- 8. Approval of Earnings Test**

After discussion, Mr. Brown made a motion to approve the items on the Consent Agenda, subject to the final review of the staff. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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**Regular Board Meeting  
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**C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION**

**1. January 1, 2016 actuarial valuation**

Deborah Brigham, of Segal Consulting, DPF's actuarial firm, was present to discuss results of the January 1, 2016 actuarial valuation report, including the GASB No. 67 actuarial valuation.

After discussion, Mr. Conway made a motion to approve issuance of the January 1, 2016 actuarial valuation report, subject to final review and approval by the Executive Director. Mr. Schutz seconded the motion, which was unanimously approved by the Board.

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**2. Amendment of Bank of America Loan**

Staff briefed the Board on the status of the amendment to the Bank of America loan.

No motion was made

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**3. 2015 audit**

Representatives of BDO, DPF's independent audit firm, discussed the results of their audit for the year ended December 31, 2015. Rachel Pierson, Manager, was present and Jill Svoboda, Partner, participated by telephone.

In addition, Ms. Loveland, Chief Financial Officer, presented the draft of the 2015 audited financial statements.

Mr. Friar reported the Audit Committee's findings from their July 7, 2016 meeting with BDO.

After discussion, Mr. Schutz made a motion to approve issuance of the 2015 audit report, subject to final review and approval by BDO and the Executive Director. Mr. Griggs seconded the motion, which was unanimously approved by the Board.

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**Regular Board Meeting  
Thursday, July 21, 2016**

The meeting was recessed at 9:51 a.m.

The meeting was reconvened at 10:00 a.m.

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**4. 2015 Comprehensive Annual Financial Report**

Ms. Loveland presented and discussed a draft of the 2015 Comprehensive Annual Financial Report.

After discussion, Mr. Brown made a motion to authorize the Executive Director to issue the 2015 Comprehensive Annual Financial Report upon finalization. Mr. Conway seconded the motion, which was unanimously approved by the Board.

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**5. Amendment of Investment Management Agreements**

Ms. Gottschalk stated that DFPF has Investment Management Agreements with managers of private assets such as real estate, timber and agriculture which allow for the discretion of the manager to sell assets. With the adoption of the Investment Policy Statement (IPS) requiring rebalancing of asset classes, staff believes that these Investment Management Agreements should be amended to authorize, in conformity with the IPS, the Executive Director to approve any such proposed sales and if necessary, allow the Executive Director to request that the managers suggest possible sales to achieve the asset allocations called for in the IPS and approve such sales based upon such suggestions by managers.

After discussion, Mr. Mays made a motion to authorize the Executive Director to amend all discretionary Investment Management Agreements involving private assets to give the Executive Director the authority (1) to approve of any manager proposed assets sales and (2) to request managers to propose suggested assets sales and approve such proposed sales, with all such Executive Director approvals to be done in conformity with the Investment Policy Statement. Mr. Conway seconded the motion, which was unanimously approved by the Board.

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**6. Clarion Partners: 4100 Harry Hines vacant land**

Bohdy Hedgcock, Senior Vice President, and Ian McKay, Portfolio Manager, of Clarion Partners, were present to discuss a potential sale of the 2.6 acres of vacant land at 4100 Harry Hines.

**Regular Board Meeting  
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**6. Clarion Partners: 4100 Harry Hines vacant land (continued)**

The Board went into a closed executive session – real estate at 10:14 a.m.

The meeting was reopened at 10:20 a.m.

After discussion, Mr. Brown made a motion to authorize Clarion to consummate the sale of the 4100 Harry Hines vacant land, subject to the final approval of terms by the Executive Director. Mr. Kingston seconded the motion, which was unanimously approved by the Board.

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**7. Investment reports**

Staff reviewed the investment performance and rebalancing reports, for the period ending June 30, 2016, with the Board.

No motion was made.

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**8. Disability recall**

Staff presented an On-Duty disability pension for review and consideration by the Board in accordance with Plan Section 6.15. This section provides that the Board may require certain Pensioners receiving a disability pension (non service-connected) or a periodic disability compensation benefit (service-connected) to appear and undergo a medical examination by the Health Director or, if the Health Director approves, by any licensed medical practitioner, to determine if the Pensioner’s disability continues or the Pensioner’s condition has improved to the extent that the Pensioner is able to resume duties with the Department.

In accordance with Section 6.15 of the Plan and the Board Disability Recall Policy, Staff has referred the Pensioner for medical examination and review of the Pensioner’s disability.

The Board went into a closed executive session – medical at 10:34 a.m.

The meeting was reopened at 10:57 a.m.

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**8. Disability recall (continued)**

After discussion, Mr. Brown made a motion to approve continuance of an On-Duty disability, Combined Pension Plan, Group B disability benefit, subject to DFPF's right under the Board-approved disability recall procedure and to require Police Officer 2016-2-R to undergo future medical examination(s) every two years until reaching the age of 50, to determine if the disability still exists or if recovery has been made to the point that the Officer is able to return to duty. Officer 2016-2-R is subject to the Annual Earnings Test Review, was hired and suffered a disability after May 1, 1990. Mr. Mays seconded the motion, which was passed by the following vote:

For: Brown, Mays, Friar, Schutz, Griggs, Hass, Kingston  
Against: Ho, Conway

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**9. Ad hoc committee reports**

Mr. Hass, Chair of the Long-Term Financial Stability Sub-committee, and Mr. Griggs, Chair of the Legal Advisor Search Sub-committee, gave updates.

No motion was made.

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**10. Board Members' reports on meetings, seminars and/or conferences attended**

Reports were given on the following meetings. Those who attended are listed.

Society of Pension Professionals

Messrs. Brown, Irlbeck

No motion was made.

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**Regular Board Meeting  
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**11. Employee recognition – Second Quarter 2016**

- a. Employee Service Award
- b. Employee of the Quarter Award
  
- a. Mr. Friar and Ms. Gottschalk presented the Employee Service Award to Cynthia Thomas, Lead Retirement Counselor, for five years of service.
- b. Mr. Friar and Ms. Gottschalk presented a performance award for Employee of the Quarter, Second Quarter 2016, to Bill Scoggins, Accounting Manager.

No motion was made.



**Regular Board Meeting  
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**11. Employee recognition – Second Quarter 2016 (continued)**



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**12. 2016 Board/staff workshop**

Ms. Gottschalk discussed the workshop plans with the Board.

No motion was made.

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**D. BRIEFING ITEMS**

**1. Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System**

The Board received comments during the open forum.

No motion was made.

\* \* \* \* \*

**Regular Board Meeting  
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**D. BRIEFING ITEMS (continued)**

**2. Executive Director's report**

- a. Future Education and Business Related Travel
- b. Future Investment Related Travel
- c. Associations' newsletters
  - NCPERS PERSist (Summer 2016)
  - TEXPERS Outlook (June 2016)
  - TEXPERS Outlook (July 2016)

The Executive Director's report was presented. No motion was made.

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Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Griggs and a second by Mr. Mays, the meeting was adjourned at 11:21 a.m.

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Samuel L. Friar  
Chairman

**ATTEST:**

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Kelly Gottschalk  
Secretary



# DISCUSSION SHEET

## ITEM #C1

**Topic:** Legal issues

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code:

- a. Police Officer and Firefighter pay lawsuits
- b. Potential claims involving fiduciaries and advisors
- c. 2014 Plan amendment election and litigation
- d. CDK Realty Advisors LP v. Dallas Police and Fire Pension System

**Discussion:** Counsel will brief the Board on these issues.



## DISCUSSION SHEET

### ITEM #C2

**Topic:** Spouse Wed After Retirement (SWAR)

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

**Discussion:** At the June 9 Board meeting, the Board discussed a SWAR request. The request was considered individually by the Board because of the unusual circumstances involved. The Board directed staff to approve the SWAR if either the member was able to elect the SWAR in person or upon receipt of required medical documentation being provided within a maximum of thirty days. Subsequent to the Board's decision, a new document was provided which would affect the previous Board determination. In light of the new information received, staff is bringing the matter back to the Board for further direction.





## DISCUSSION SHEET

### ITEM #C3

**Topic:** **Outside Counsel interviews and selection**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

- a. Fiduciary Counsel
- b. Tax Counsel

**Attendees:** Chuck Campbell – Jackson Walker LLP  
Stefan Smith – Locke Lord LLP

**Discussion:** The Legal Search Sub-Committee conducted interviews for law firms to act as outside counsel to the Board. In particular, there is a need for outside counsel in the tax and fiduciary areas. After conducting the interviews, the Sub-Committee is recommending that the Board hire the firm of Ice Miller, LLP to act as tax counsel. Ice Miller, out of Indianapolis, Indiana, is one of the pre-eminent public pension tax firms in the country, representing large and small state and local public plans in many states.

For fiduciary counsel, the Sub-Committee is proposing that the Board hire one of two firms, Jackson Walker, LLP or Locke Lord, LLP, both of whom are headquartered in Texas. Chuck Campbell with Jackson Walker is located in the firm's Austin office and Stefan Smith with Locke Lord is located in the firm's Dallas office.



**Dallas Police & Fire  
Pension System**  
*Request for Qualifications  
for Legal Services*

**April 29, 2016**

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## QUALIFICATIONS AND EXPERIENCE

### CATEGORIES OF LEGAL SERVICES

The Firm seeks to be selected with respect to all services identified in Section III of the RFQ, except for interpretation and advice regarding public records laws and open meetings laws. Due to existing client obligations, Jackson Walker would not be able to accept and is not proposing to provide legal services to Dallas Police & Fire Pension System (DPFP) regarding compliance with public records laws and open meetings laws. Additionally, any proposed litigation matter will need to be assessed at the outset of such matter.

### FIRM OVERVIEW

#### OUR FIRM

Founded more than 125 years ago, Jackson Walker is one of the oldest and largest law firms in Texas, offering expertise in virtually every area of the law with more than 350 attorneys in seven Texas offices: Austin, Dallas, Fort Worth, Houston, San Angelo, and San Antonio and Texarkana.

By continually developing our broad base of practice areas, Jackson Walker attracts an outstanding group of public and private sector clients, including universities, insurers, pension funds, Fortune 500 corporations, multi-national companies, major financial institutions, and a wide range of publicly traded corporations and closely-held businesses.

Jackson Walker's Practice Groups are identified as follows: Bankruptcy, Corporate & Securities, Energy, Employee Benefits, Environmental & Regulatory, Finance, Healthcare, Intellectual Property, Labor & Employment, Land Use & Municipal Law, Legislative & Policy, Litigation, Real Estate, Tax and Wealth Planning.

#### OUR APPROACH

A number of factors distinguish and differentiate Jackson Walker and its lawyers from other firms and their lawyers, but most important is our commitment to deliver quality services to our clients that is cost-effective, responsive, innovative and practical. Jackson Walker prides itself on recognizing the difference between significant legal issues that require substantial resources and other legal issues that require a more practical, and resource friendly, solution. The key is to maintain a proper balance between taking matters too lightly (and consequently assuming too much risk), and taking them too seriously (resulting in increased costs in terms of money and human resources). Jackson Walker works with its clients to achieve and maintain that balance.

Additionally, we strive to creatively solve problems. The easiest alternative for any attorney is to conclude that a client's strategy, tactics, or scheme is "too risky." The mark of a great attorney is to understand the client's goals and creatively assist and allow the client to achieve those goals. We

consult with our clients to understand their goals, offer creative yet reasonable solutions, and assist with the evaluating the alternatives by giving them a clear understanding of the risks involved in each alternative course of action. Our commitment to all our clients is to provide cost effective, practical and innovative legal services.

Finally, each of our attorneys is available to serve within reasonably-requested and mutually agreeable time frames. We recognize that our clients are the only reason for our existence and that they are the only means of our continued success. We care greatly about our clients' opinions on the quality and value of our services. Therefore, the responsible attorney, as well as other attorneys working on client projects, regularly inquire about client satisfaction.

### **QUALITY CONTROL**

Jackson Walker evaluates the quality of its performance based on client satisfaction, assessed case-by-case. To avoid potential risk, our Firm upholds the highest level of ethics and professionalism by means of several administrative procedures. As the first step, an attorney is required to secure a conflict check when entering any new matter. When we are confident there is no conflict, the attorney then confers with the client to clearly define the goals to be achieved. Once there is agreement on those goals, the attorney keeps his or her client informed of every phase of the work. All of our attorneys must create a detailed log of their time spent on each client matter and must supply that information to the client in billing reports, typically on a monthly basis.

Jackson Walker assigns a partner to supervise and/or orchestrate all of a client's legal activities under an engagement letter negotiated with the client. This Jackson Walker representative attorney consults with the client and becomes the contact and decision-maker for staffing client projects. However, clients are welcome to request staffing changes at any time a client chooses.

## **PUBLIC PENSION EXPERTISE**

Jackson Walker is uniquely committed to serving the legal needs of public retirement plans. Through our representation of over 30 statewide and local public retirement plans, we understand and appreciate the variety of complex issues that face public retirement plans. Our representation covers all aspects of law that impact public retirement plans. For several public retirement plan clients, we serve as a full service outside counsel, providing all legal needs to our clients. For other clients, we handle specific areas of expertise, including serving as fiduciary counsel for their boards of trustees, tax counsel for qualified plan matters, benefits counsel with respect to plan design and administrative issues, or investment counsel for complex alternative investment arrangements.

The following is a discussion of the specific areas of pension law related to DPFPP's request for qualifications for legal services and how Jackson Walker provides assistance to public pensions with respect to addressing and resolving issues that arise in these areas. These areas are grouped into three main categories: **Plan Administration, Tax and Fiduciary.**

### **PLAN ADMINISTRATION**

#### *Plan Design*

Retirement plans require constant examination in order to adapt to the ever-changing needs of its plan sponsor, participants, retirees, and beneficiaries. Jackson Walker regularly advises public pension clients on the design aspects of their plans and drafts necessary legislation, ordinances, plan documents, amendments or administrative rules (as applicable) for such plans to address our client's needs. We work diligently to provide innovative and alternative solutions to plan design challenges and will ensure that the terms of your plan are best-suited to address the issues at hand. Our attorneys also monitor the frequent and often-complex changes to federal and state law that impact qualified retirement plans and their design. We will make sure that your plan satisfies qualified plan requirements and is properly amended to reflect changes to applicable law.

#### *Benefits*

When providing benefits under public retirement plans, a variety of issues may arise. These matters often involve eligibility questions, benefit elections and calculations, beneficiary designations, disability determinations, administrative errors, qualified domestic relations orders (QDROs), and benefit claims and appeals. Our attorneys can guide your administrator in resolving issues that may arise and will suggest and help draft rules and procedures when necessary in order to avoid future problems. We can also perform an administrative audit to determine whether a public pension plan's operations and procedures are uniform with the terms of the plan, comply with applicable law, and do not inadvertently create any potential liabilities.

### *Funding and Actuarial Matters*

Market conditions over the past decade have brought many challenges to plan trustees, administrators, and sponsors with regards to satisfying funding requirements for their public pension plans. Jackson Walker attorneys are experienced in helping these groups address the legal implications of plan funding issues. The Firm understands plan benefit design and actuarial valuations and studies and how the interplay between those two may impact a plan's funding status. Jackson Walker attorneys also assist in developing solutions for our client's funding dilemmas by navigating them through the applicable legal framework and advising them on fiduciary considerations.

### *Legislation*

State statutes or local ordinances dictate the terms of many public pension plans. As a result, any proposed changes to those plans involve drafting statutes or ordinances and maneuvering through the political process. Jackson Walker attorneys are experienced in preparing legislative provisions and navigating the process. Our involvement in the legislative process may involve dealing with constituency groups or a municipality, educating a bill sponsor on complex pension matters, or serving as a resource witness. We also have a Twitter handle (@TXPensions) through which we provide updates during the Legislative Session.

### *Outside Service Providers*

Most public retirement plans employ outside agencies to satisfy certain investment administrative needs. Jackson Walker regularly drafts, reviews, and negotiates contracts for these types of service contracts, including contracts for actuaries, investment managers and consultants, accountants, and technology and software providers. The Firm ensures that these agreements are transparent as to fee structures, recognize state law considerations (including sovereign immunity, public information requests and indemnification limitations), and adequately protect a plan's interests.

## **TAX**

### *Documentation Compliance*

The plan documents of a retirement plan intended to be qualified under section 401(a) of the Internal Revenue Code (Code) or satisfy other applicable Code sections relevant to defined contribution plans (i.e., 401(k), 403(b) and 457(b)) must be in compliance with all applicable requirements in order to maintain their favorable tax status. Our attorneys in our Employee Benefits practice group are intimately familiar with all plan qualification requirements, including, for example, required minimum distribution provisions, Code § 415 limits, and rollover requirements. We have significant experience working with public retirement plans to ensure their plan documentation incorporates all the requirements applicable to governmental plans. Our attorneys can assist clients in this area by drafting applicable statutes, rules, ordinances or policies to amend

the “plan document” (which takes varying forms for public retirement plans) to not only ensure compliance but provide innovative solutions to plan design challenges. Our attorneys also file requests for determination letters on the qualified status of the plan document for its governmental and other retirement plan clients and file requests for private letter rulings on specific tax qualification issues.

### *Operational Compliance*

For qualified plans, the task of staying compliant with the Code and other applicable rules and regulations does not end with the governing document. The plan must be operated in accordance with its terms to ensure compliance and plan qualification. Jackson Walker has extensive experience working with retirement plan administrators in the handling of day-to-day operational issues. Among the most common operational issues are benefit calculations, compensation definitions and limits, service crediting, cash-outs and rollovers. Each public retirement plan has detailed statutory rules regarding how these issues are to be dealt with. Jackson Walker has the expertise necessary to educate administrators on how to operate in conformity with these complex requirements.

Inevitably, however, operational mistakes are made and should be corrected. In these instances, our attorneys have advised clients on corrective measures under the IRS’ Employee Plans Compliance Resolution System (EPCRS) to ensure any operational failures are adequately addressed to avoid potential qualification issues in the future. Our attorneys’ experience with EPCRS includes advising clients on the proper method of correction under EPCRS, including whether self-corrective measures are available. If self-correction is unavailable, our attorneys prepare a voluntary compliance program (VCP) submission and work with the IRS to address the failure in a satisfactory manner.

### *Determination Letters and Other IRS Rulings*

Jackson Walker represents clients in front of the Internal Revenue Service, including filing requests for determination on the qualified status of the plan and submitting corrective measures under the IRS’s Voluntary Compliance Program (VCP). During the previous “Cycle C” and “Cycle E” remedial amendment periods, our attorneys filed several requests for determination letters for its governmental plan clients and have received favorable letters with respect to all filings thus far.

### *Legislative Monitoring*

Congress frequently enacts new provisions or amends existing sections of the Code relating to qualified plans. Jackson Walker is attuned to the most current information regarding Internal Revenue Code requirements for government retirement plans. Our attorneys are active members of the National Association of Public Pension Attorneys and the Tax Section of the American Bar Association. In addition, Jackson Walker subscribes to many publication services such as CCH’s Pension Plan Guide, the Standard Tax Report and the Pensions and Investment newsletter.



Keeping close tabs on new and pending developments aids Jackson Walker in delivering the most current legal advice to its clients.

For a public retirement plan whose plan document is often a state statute or municipal ordinance, the frequent changes to applicable law can create some unique challenges. Jackson Walker has unique experience in working with state legislatures and municipal governing bodies on behalf of public retirement plans to amend governing law to ensure compliance with all required plan qualification changes.

## **FIDUCIARY**

Public retirement plan trustees are obviously fiduciaries and are accountable to plan participants and beneficiaries under statutory requirements and common law responsibilities. Failure to satisfy these duties could result in significant liability to the retirement plan as a whole and the individual trustees. Jackson Walker attorneys are intimately familiar with fiduciary standards under applicable state laws and ERISA, which, although inapplicable to DFPF, provides helpful guidance as to satisfaction of fiduciary responsibilities.

Firm attorneys regularly assist retirement plan trustees in satisfying their responsibilities by making trustees aware of fiduciary issues as they arise, counseling trustees in addressing these fiduciary issues, and by providing educational programs to ensure trustees are aware of their fiduciary duties. The Lead Attorney regularly attends board meetings for governmental retirement plan clients and administrative or investment committee meetings for non-governmental and tax-exempt clients and provides “on the spot” guidance as to fiduciary and open government issues. Preparation for this attendance often includes a “pre-board” meeting with executive staff and/or Board Chairman to discuss fiduciary matters on a particular agenda. Jackson Walker also performs fiduciary audits to ensure policies and practices of a benefit plan satisfy and do not compromise applicable fiduciary duties.

In addition, as fiduciaries and governmental officials responsible for investing of public funds, trustees are subject to the highest of ethical standards. Jackson Walker attorneys assist trustees in satisfying statutory ethics requirements, developing and enforcing a board’s own ethics policy, and resolving sensitive ethical issues as they arise. These issues include identifying and resolving potential conflicts-of-interest and reviewing filings for certain ethics disclosures. In addition, Jackson Walker attorneys will advise trustees when issues or circumstances arise that, although consistent with applicable ethical standards, might provide potential sources of unwanted public or legislative scrutiny, including “pay-to-play” or third-party marketing situations.

As fiduciary counsel, our attorneys also address board governance matters. Jackson Walker attorneys regularly develop policies and procedures for a variety of board actions, including investment policy, codes of ethics, committee charters, disability review policies and benefit claims procedures in order to effectively navigate the process fiduciary duties require. Once policies and procedures are in place, our attorneys also monitor board activity and provide guidance to ensure such polices are followed.

## **OTHER REQUESTED EXPERTISE**

### **LABOR AND EMPLOYMENT**

Jackson Walker's labor, employment, and employee benefits lawyers have extensive experience advising employers in all aspects of management-labor relations, employment litigation, employee conduct and handbook development, and employee benefits planning. Members of the firm's Labor and Employment Section routinely provide counsel and assistance to their clients on numerous employment related issues including:

- Employment issues relating to employee training, workforce reductions, corporate acquisitions, reorganizations, and relocations
- Appropriate discipline of employees
- Drafting and enforcement of employment contracts, including non-competition agreements
- Preparing and auditing employee handbooks and personnel policies
- Unemployment compensation claims
- Wage-hour obligations
- Workers' compensation claims
- Occupational safety and health issues
- Immigration control procedures
- Affirmative action plans and OFCCP compliance issues

### **LITIGATION**

Jackson Walker is the "go to" trial firm for many clients in complex or bet-the-company cases in Texas and across the U.S. We have tried cases across a broad spectrum of subject matters, including subjects that you will likely face. We bring a client- and results-oriented focus to all cases, regardless of size or amount in controversy. Listening, understanding and believing in the goals of our clients are our guideposts in delivering results at the courthouse.

Jackson Walker's trial group is one of the Southwest's largest, encompassing nearly half of the firm's 350+ lawyers. Our diverse experience covers multiple industry sectors and specialty practice areas and takes us into courthouses across the Lone Star State, from the major markets of Dallas-Fort Worth, Houston, Austin and San Antonio to the Rio Grande Valley, East and West Texas, and the Gulf Coast. Our trial practice also spans the U.S., as we have litigated cases in nearly every state in the union. As a result, we can find the right lawyer for nearly any claim our Texas clients face or wish to pursue.

We also zealously represent our clients in litigation with a steady eye on the bottom line in terms of costs and desired results. We use best practices in project management to ensure predictability and cost control for our clients.

We prepare each case as if it were going to trial. Here's how Texas Lawyer described one of our partners in a high-profile trial. He "didn't just tell the (Court) what he intended to prove, he used his timeline and PowerPoint presentation to prove his case." Our innovative use of graphics and video exemplifies a commitment to excellence in the courtroom.

While we stand ready to try each litigation matter, we recognize that most cases settle before reaching the courthouse. Our attorneys are thoroughly experienced in all forms of alternative dispute resolution, including mediations and arbitrations.

Jackson Walker's labor and employment lawyers also offer clients deep expertise and extensive experience in mediating, arbitrating, and litigating the defense of individual and class action employee charges and suits involving a wide range of matters and issues:

- Race and sex discrimination claims
- Sexual harassment claims
- Age discrimination claims
- Disability discrimination claims
- Family and medical leave claims
- Defamation claims
- Wrongful discharge claims
- Workers' compensation retaliation
- Claims asserting violations of various other federal and state employment related and civil rights statutes

## REPRESENTATIVE MATTERS

Jackson Walker's experience in providing specialized pension, tax, and fiduciary legal advice for public pension plans includes the following:

- Draft and develop legislation to ensure qualified plan compliance for municipal retirement systems and assist such systems in navigating the legislative process, including educating bill sponsors on the purpose of the legislation, and serving as a resource witness for committee hearings.
- Regularly attend board and committee meetings for several public pension clients, including providing “on the spot” guidance with respect to respective plan qualification, fiduciary, ethics, and open meetings issues.
- Negotiate for a public retirement system regarding funding from municipal plan sponsor in connection with requested plan feature, including detailed analysis of actuarial cost study, drafting of related agreements between a retirement system and municipality, and preparing legislative package to reflect new funding mechanism.
- Obtain favorable determination from the Internal Revenue Service with respect to determination of the qualified status of a statewide governmental pension plan, including preparation of the request for determination letter and related submission under the Voluntary Correction Program.
- Advise public pension plans on plan administrative issues and prepare related procedures and policies, including qualified domestic relation orders, disability determinations, and beneficiary designations.
- Assist in the formation of a new governmental pension plan for an emergency services district, including serving as fiduciary counsel to the Board, drafting of original plan document, ensuring satisfaction of plan qualification requirements (including submission of the determination letter filing with the IRS), and negotiating with relevant parties regarding the plan structure.
- Provide fiduciary and ethics training for board of trustees of large municipal retirement systems.
- Advise board of trustees on fiduciary and other legal considerations in decision to diversify into alternative investment asset classes, including related review and restatement of investment policy.
- Identify potential conflicts of interest in certain investments and assist clients with required disclosures and other steps necessary to ensure compliance with applicable ethics laws and a board of trustees' code of conduct.

- Advise institutional clients on the availability of sovereign immunity and the limitations on governmental entities to provide indemnification under state law with respect to fiduciary and contractual liability in connection with the negotiation of relevant provisions in contracts.
- Represent retirement plans in disputes involving breach of trust and breach of fiduciary duty issues, including matters concerning the suitability of investments, the reasonability of fees charged, and the misuse of fiduciary authority.
- Defend employers and their employee benefit plans against breach of fiduciary duty claims under ERISA and state law common law. In one representative case, the firm obtained dismissal of fiduciary duty and state law claims seeking millions in damages and successfully defended the judgment on appeal.
- Frequently represent plans and administrators of plans in cases involving claims for plan benefits.

## RESUMES

The lead attorney (Chuck Campbell) would be the primary contact for the Firm and be responsible for managing the relationship, including overseeing staffing and billing. Mr. Campbell will involve other members of the team to the extent their expertise is required or billing rate is more appropriate for a project but will always serve in a supervisory capacity over their work.

### LEAD ATTORNEY



**CHARLES H. (“CHUCK”) CAMPBELL, JR.** represents public and private sector clients in all areas of employee benefits and executive compensation. A significant part of Mr. Campbell’s practice involves representing public pension plans and their trustees. Mr. Campbell has over seventeen years of experience representing public pension plans in Texas and addressing the variety of complex and unique issues that these organizations face. Mr. Campbell serves as primary outside counsel for several pension plan funds and is adept at handling the plan administration, tax and fiduciary matters that these plans face. Mr. Campbell also handles a variety of investment matters for such clients, including review of investment policies and procedures and negotiation of investment agreements. Mr. Campbell also has a keen awareness of the political and regulatory environment in which these plans operate and has experience representing public pension plans in front of the Internal Revenue Service and the Texas Legislature.

Mr. Campbell is a member of both the National Association of Public Pension Plan Attorneys (NAPPA) and Texas Association of Public Pension Attorneys (TAPPA). He has been a member of NAPPA since 2000 and a member of TAPPA since its inception. He regularly speaks on various legal issues facing public pension plans at the annual educational conference of the Texas Local Fire Fighter Retirement Act and has also spoken at educational conferences for NAPPA, the Texas Pension Review Board, and Texas Association of Public Employee Retirement Systems. Mr. Campbell also authored an article for the Texas Lyceum Journal entitled “*Public Pension Plans in Texas: Impressions from the Public Conference*” (May 2011). Mr. Campbell is also a reviewer of the Texas Pension Review Board publications, including recently-created training materials of continuing education requirements and a white paper entitled “*Retirement Benefits in the Public and Private Sectors – A Comparison of Trends, Regulatory Environments, and Related Issues*”.

Mr. Campbell earned his B.S. degree from Washington and Lee University and his J.D. degree, *with honors*, from The University of Texas School of Law. He is listed in the 2008-2016 editions of *The Best Lawyers in America* under Employee Benefits Law and has been honored as a “Rising Star” by *Texas Monthly*.

## SUPPORTING ATTORNEYS – PLAN ADMINISTRATION, TAX, FIDUCIARY



**JAMES R. GRIFFIN** concentrates his practice in the area of employee benefits and executive compensation, advising clients on design, administration and compliance issues arising under the Internal Revenue Code, ERISA and other laws. He works with legal issues affecting 401(k) and pension plans, executive compensation plans, stock option plans, and other group benefit plans. Mr. Griffin represents clients in controversy matters, including Internal Revenue Service (IRS) and Department of Labor (DOL) audits, investigations and examinations. In addition, Mr. Griffin works with Jackson Walker’s Litigation attorneys to represent clients in handling ERISA litigation.

Mr. Griffin received his B.B.A. degree, *summa cum laude*, from Texas Tech University, and his J.D. degree, *cum laude*, from Southern Methodist University Dedman School of Law.



**MARY LYNN HANNA** is of counsel in the Employee Benefits and Executive Compensation section of Jackson Walker. Prior to joining Jackson Walker, Ms. Hanna worked in-house as senior counsel at Kimberly-Clark, where she was an ERISA attorney. Her work there included drafting, amending, and handling various issues with regard to tax-qualified retirement plans, including a profit sharing plan, a 401(k) plan, and a pension plan, as well as health and welfare plans, including insured and self-insured medical plans, a dental plan, flexible spending accounts (health and dependent care), a cafeteria plan, and group term life insurance. She also drafted and reviewed summary plan descriptions and employee benefit communications materials, designed claims procedures, advised clients on HMO, PPO, and ASO outsourcing agreements, and advised the company on complying with the wide range of federal laws and regulations that impact health benefit plans, including COBRA and HIPAA.

Ms. Hanna received her B.S. degree from Texas Christian University, her LL.M degree in tax from Southern Methodist University Dedman School of Law, and her J.D. degree from the University of Tulsa College of Law.

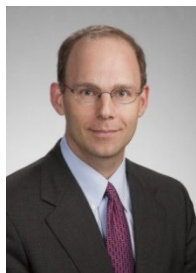


**ASHLEY P. WITHERS** is a research attorney in the Dallas office of Jackson Walker. She conducts in-depth legal and business development research for all practice groups, attorneys, paralegals and staff. Ms. Withers analyzes complex federal and state legal issues, performs due diligence research on companies and individuals, and identifies and develops new legal research strategies and resources.

Ms. Withers received her B.A., *summa cum laude*, from Stephan F. Austin State University, and her J.D., *cum laude*, from Southern Methodist University, Dedman School of Law.

**ALYCA RILEY** is a current Baylor law student who is expected to join the Austin office of the firm in the Fall of 2016 and work directly with Mr. Campbell.

## SUPPORTING ATTORNEYS – LABOR AND EMPLOYMENT AND LITIGATION



**SCOTT M. MCELHANEY**, as the trial and appellate lawyer for large and small companies and business executives, works with clients to cost-effectively resolve commercial disputes and employment matters his clients face. Recognized by his peers in local, state, and national surveys, Mr. McElhaney has been included in The Best Lawyers in America under Commercial Litigation and Labor and Employment Law, named a “Texas Super Lawyer,” and listed as one of the “Best Lawyers in Dallas” in D Magazine. Mr. McElhaney has over 20 years of experience in contract and commercial tort suits and trade secret and non-competition agreement cases. He also regularly counsels businesses on employment matters and handles employment discrimination, ERISA and other labor claims. He focuses on the long-term commercial needs of his clients by identifying risks and providing strategies for handling complex legal challenges. He has had jury trials in both federal and state courts as well as arbitrations before panels of arbitrators. He also uses his appellate experience to defend favorable trial court judgments and obtain reversal of adverse results, and he has successfully handled multiple class actions at the trial and appellate level. Mr. McElhaney is Board Certified in Labor and Employment Law by the Texas Board of Legal Specialization

Apart from his practice, Mr. McElhaney is active in the Bar and legal community. In 2014, he served as the President of the Dallas Bar Association, and he currently serves as a trustee of the Dallas Bar Foundation. He has also chaired the DBA’s Equal Access to Justice Campaign, and is a past Chair of the DBA’s Business Litigation Section and Judiciary Committee. Mr. McElhaney has also served on the State Bar’s District 6 Grievance Committee and as Vice Chair of the Dallas Committee for a Qualified Judiciary.

Mr. McElhaney has been a Lecturer at SMU’s Dedman School of Law, where he has taught Employment Law and Legal Research and Writing. After graduating from Harvard Law School, he was a Law Clerk to Judge Irving Goldberg of the U.S. Court of Appeals for the Fifth Circuit and to Judge Barefoot Sanders of the U.S. District Court for the Northern District of Texas.

Mr. McElhaney received his A.B. degree from Dartmouth College, and his J.D. from Harvard Law School.



**ALICIA DULEBA’S** practice focuses on employment law. Ms. Duleba has particular experience representing employers in litigation and administrative matters, in addition to counseling employers on employment and human resource issues. Ms. Duleba has experience representing employers in a full range of employment law matters such as defending employee claims in state and federal court; representing clients before administrative agencies such as the Equal Employment Opportunity Commission, Texas Workforce Commission - Civil Rights Division, Occupational Safety and Health Administration, and Department of Labor; preparing and auditing employee handbooks and personnel policies; counseling and formulating preventative strategies; handling mediations and settlement negotiations; and drafting and interpreting



employment contracts, including non-competition agreements, and unemployment compensation claims. Ms. Duleba represents employers in a wide variety of industries, including, but not limited to, retail, construction, health care, media, banking, service, technology, and real estate. Ms. Duleba serves on the firm's Diversity and Recruiting Committees.

Ms. Duleba received her B.B.A. from Texas A&M University and her J.D. from the University of Texas.



**JORGE A. PADILLA** is a partner in Jackson Walker's Litigation section. He represents clients both in and out of court to identify and solve their problems in the most efficient manner. Mr. Padilla's practice focuses on serving clients in a variety of litigation matters, including real estate disputes, personal injury defense, premises liability and products liability defense, business contract disputes, and collection matters. He also has extensive experience in post-judgment collection remedies.

Mr. Padilla received his B.J. degree, *with honors*, in Journalism from The University of Texas at Austin and his J.D. degree from The University of Texas School of Law.



**SARAH MITCHELL'S** practice consists of representing clients in employment litigation in federal and state courts and related proceedings. Ms. Mitchell has also represented employers before the Equal Employment Opportunity Commission, the U.S. Department of Labor, the Office of Federal Contract Compliance Programs, and state agencies and has defended claims brought under the Age Discrimination in Employment Act, the Americans with Disabilities Act, the Fair Labor Standards Act, the Family and Medical Leave Act, the Texas Commission on Human Rights Act, Title VII, Executive Order 11246, and the anti-retaliation provisions of the Texas Workers' Compensation Act.

Ms. Mitchell's nonlitigation practice includes advising and counseling employers regarding legal compliance and risk management on a variety of employment and human resources issues. Ms. Mitchell has assisted clients in drafting and implementing personnel policies and practices, provided clients with guidance and recommendations relating to the removal of architectural barriers, and advised clients regarding terminations, reductions in force, hiring, leaves of absence, employee leave policies, drug testing, wages, restrictive covenants, workers' compensation, and disability-related accommodations. Additionally, Ms. Mitchell has advised clients regarding issues under the Texas Staff Leasing Services Act and has assisted clients in drafting and updating affirmative action plans and complying with federal contractor laws and obligations. Ms. Mitchell also maintains a blog on employee leave issues entitled "Leave and the Law."

Ms. Mitchell received her B.A., *magna cum laude*, from Baylor University, and her J.D., *summa cum laude*, Texas Tech University School of Law, where she was also a member of the Order of the Coif.



**JAMES C. MCFALL** is an associate in the litigation section of Jackson Walker. His practice focuses on complex commercial, construction, and media litigation, including cases of alleged fraud, tortious interference, breach of contract, breach of fiduciary duty, defamation, and theft of trade secrets. Mr. McFall also has significant experience representing large national banks and other financial institutions in a variety of matters, including multimillion-dollar disputes. He has represented lenders, corporate officers, and corporate directors in high-stakes corporate defense cases involving claims for breach of fiduciary duty and fraud.

Mr. McFall is experienced in all phases of litigation from investigation to trial, including depositions, preparing witnesses for deposition and trial testimony, and drafting and arguing various evidentiary and dispositive motions. During law school, Mr. McFall was a legal extern for Judge Jeremy Fogel of the United States District Court for the Northern District of California. Judge Fogel now serves as the Director of the Federal Judicial Center in Washington, D.C.

Mr. McFall received his B.A. and his M.A. from Stanford University and his J.D. from Washington University School of Law



**MALLORY BECK** is an associate in the Environmental & Legislative section at Jackson Walker. Ms. Beck represents governmental entities, including special utility districts, water supply corporations, and municipal retirement funds in various matters. Ms. Beck advises these clients regarding their statutory and administrative duties, including those that arise under the Texas Open Meetings Act and the Texas Public Information Act. Ms. Beck also represents clients before various state administrative agencies, including the Texas Commission on Environmental Quality and the Public Utility Commission of Texas.

Ms. Beck's environmental and litigation experience includes assisting private clients in obtaining environmental permits and protecting the client's permit rights through contested case hearings and subsequent appeals. Ms. Beck has also aided clients in litigation to enforce statutory obligations of governmental entities to issue permits. Ms. Beck's litigation experience extends beyond the environmental arena and includes general commercial litigation ranging from breach of contract, Texas Deceptive Trade Practices Act, employment discrimination and related employment rights, and patent law. Ms. Beck also advises clients regarding water rights and water supply transactions.

Ms. Beck received her B.A., *summa cum laude*, from Texas A&M University and her J.D. and LL.M. in International and Comparative Law from Duke University School of Law.



**SARA PULS** is an associate in the Dallas office of Jackson Walker. Prior to joining Jackson Walker, Ms. Puls' practice focused primarily on federal labor and employment litigation. She has successfully resolved multiple employment disputes on behalf of her clients and has experience in the following areas: Commercial disputes, class actions, personal injury matters, workers' compensation, Consumer Protection Act litigation, contract disputes, Fair Labor Standards Act claims, and bankruptcy matters.

Ms. Puls received her B.A., *summa cum laude*, from New York University, and her J.D., *with honors*, from The University of Texas School of Law, where she was a member of the Order of the Coif.



**JUDY BENNETT GARNER** is an associate in the Labor and Employment section at Jackson Walker.

Prior to joining Jackson Walker, Ms. Garner served as a legal intern for the Civil Rights Division, Equal Employment Opportunity (EEO) Branch of the Transportation Security Administration, where she conducted legal research and drafted correspondence to EEO claimants. Ms. Garner also served as a Law Clerk at the DC Commission on Human Rights. There she drafted judicial opinions for private sector discrimination cases arising under the DC Human Rights Act. While at Georgetown University Law Center, she served as the Administrative Editor of the *Georgetown Journal of Gender and the Law*.

Ms. Garner received her BMus , *magna cum laude*, from The Catholic University of America, her MMus from The Catholic University of America, and her J.D. from Georgetown University Law Center

## **CONFLICTS OF INTEREST**

Jackson Walker adheres strictly to all ethical requirements of the State Bar of Texas. We have a full-time staff dedicated to administering our conflicts system statewide. The firm utilizes a computerized system to search for conflicts before undertaking representation and each attorney is required to review such list of potential representations daily. Absent unusual circumstances, a conflict search is generally completed within 24 hours. If a potential conflict is identified, a matter may be brought to the attention of the Conflicts Committee to determine if representation would be appropriate subject to a written waiver or whether the representation should be declined. If circumstances dictate, we have a procedure that can be activated to restrict access to documents and information to create a wall of protection for a particularly sensitive matter.

After thorough inquiry, we can confirm that Jackson Walker does not currently represent any clients in matters where we would view their interests as adverse to the interests of DPFP. However, based on existing client obligations, Jackson Walker would not be able to accept and is not proposing to provide legal services to DPFP regarding compliance with public records laws and open meetings laws.

## **MALPRACTICE AND DISCIPLINE**

The firm's professional liability insurance is provided through Lloyds of London and Nautilus Insurance Company, and its primary layer includes coverage of \$15 million per occurrence/annual aggregate.

The firm has been sued within the past five years by persons alleging negligence or breach of other professional duty in connection with our legal services. We would not classify these as claims for breach of contract, but we provide this statement in the interest of disclosure. None of those claims has resulted in a judgment against the firm, with the exception of a single case in which the judgment was reversed on appeal. Petitions for discretionary review of this case by the Texas Supreme Court remain pending.

In September 2011, a firm lawyer received a private reprimand from the disciplinary authority of the State Bar of Texas. The circumstances involved a probate matter, and the lawyer is not part of the team proposed to provide services to DPFP. This matter is confidential under requirements of Texas law.

## REFERENCES

### CONTACTS

Name of Client	Contact	Phone Number	Email Address	Location
Texas County & District Retirement System	Tom Harrison, Deputy Director	512-637-3216	tomh@tcdrs.org	Austin, Texas
	Ann McGeehan, General Counsel	512-637-3207	ann@tcdrs.org	
Austin Firefighters Relief and Retirement Fund	Keith Johnson, Vice-Chairman	512-415-8523	keithjohnson19@msn.com	Austin, Texas
	Bill Stefka, Administrator	512-454-9567	billafdension@austin.rr.com	
Fort Worth Employees' Retirement Fund	Tom Gonnella, General Counsel	817-632-8909	tom.gonnella@fwretirement.org	Fort Worth, Texas
Houston Municipal Employees Pension System	Erin Perales General Counsel	713-595-0132	emack@hmeps.org	Houston, Texas

### REPRESENTATIVE CLIENTS

Please see a list of representative clients on the attached Exhibit 2.

### PENDING LITIGATION

As discussed above, in 2012, a Texas state district court entered a judgment on a jury verdict against the firm, one of its lawyers, and the niece and nephew of an elderly woman to whom the firm had provided services related to estate planning and sale of a ranch before her death. The plaintiffs, step-grandchildren of the decedent claimed that they had been wrongfully deprived of interests in the ranch, and asserted claims for fraud, tortious interference with inheritance, and civil conspiracy. On April 10, 2015, the court of appeals reversed the judgment, and rendered judgment in favor of Jackson Walker and its lawyer on all claims for damages. Petitions for discretionary review of this case by the Texas Supreme Court remain pending. Jackson Walker L.L.P. et al. v. Kinsel et al., No. 07-13-00130-CV, in the Amarillo Court of Appeals.

## FEE PROPOSAL

For legal services related to ongoing plan maintenance, Jackson Walker traditionally provides discounted rates for our public pension clients and we believe that DPFP is no exception. We propose a discounted rate of 10% for all attorneys. Additionally, Mr. Campbell will set his rate at an additional discount to \$525.00 for the first two years of the engagement, to be appropriately adjusted after such time. The hourly fees for our proposed team are as follows:

Attorney	Position	Area of Expertise	Standard Rate	Discounted Rate
Chuck Campbell	Partner/ Client Contact	Plan Administration, Tax, Fiduciary	\$635.00	\$525.00
James Griffin	Partner	Plan Administration, Tax, Fiduciary	\$775.00	\$695.00
Scott McElhaney	Partner	Litigation, Labor & Employment	\$595.00	\$535.00
Alicia Duleba	Partner	Labor & Employment	\$515.00	\$465.00
Sarah Mitchell	Partner	Labor & Employment	\$465.00	\$415.00
Jorge Padilla	Partner	Litigation	\$485.00	\$435.00
Mary Lynn Hanna	Of Counsel	Plan Administration, Tax, Fiduciary	\$450.00	\$405.00
James McFall	Associate	Litigation	\$395.00	\$355.00
Mallory Beck	Associate	Administrative/Governmental Law	\$395.00	\$355.00
Sara Puls	Associate	Litigation	\$345.00	\$310.00
Judy Garner	Associate	Labor & Employment	\$345.00	\$310.00
Ashley Withers	Research Attorney	Plan Administration, Fiduciary, Administrative/Governmental Law	\$235.00	\$210.00
Alyca Riley	Associate	Plan Administration, Tax, Fiduciary	TBD*	TBD*

\* Expected to join the firm in the Fall of 2016

Standard rates are adjusted on an annual basis. Due to the existing long-term contractual relationships with various public pension clients, the firm is not in a position to agree to a most-favored nation provision.

**EXHIBIT 1  
PROPOSAL SUBMISSION SHEET**

By the signature hereon, respondent certifies the following:

- All statements and information prepared and submitted in the response to this RFQ are current, complete, and accurate.
- Respondent has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a DPFP Trustee, employee, or immediate family member in connection with the submitted response.
- Respondent accepts the terms of the RFQ.
- Between the date that the RFQ was issued and the date of full execution of a contract, respondent has not made and will not make contact about this RFQ with a DPFP Trustee.
- This response and its terms will be honored and valid through the date of full execution of a contract.
- This response is complete as submitted.
- Respondent is unaware of any facts that would create a conflict that would prevent providing the services respondent is proposing to provide to DPFP.
- The person who signs below is authorized to represent and contractually bind the respondent.

RESPONDENT (COMPANY): Jackson Walker L.L.P.

AUTHORIZED SIGNATURE (INK): 

NAME (TYPED/PRINTED): Chuck Campbell

TITLE: Partner DATE: 04-28-16

STREET: 100 Congress Avenue, Suite 1100

CITY/STATE/ZIP: Austin, Texas 78701

TELEPHONE NUMBER: 512-236-2263

EMAIL ADDRESS: ccampbell@jw.com

FACSIMILIE: 512-391-2190

FEDERAL TAX IDENTIFICATION NUMBER: 75-0764921

**EXHIBIT 2  
REPRESENTATIVE CLIENTS**

Name of Client	Description of Services	Date of Inception	Participating Attorneys
<b>PUBLIC PENSION AND FUND CLIENTS</b>			
Austin Fire Fighters Relief and Retirement Fund	All	2008	Campbell
Austin Police Retirement System	Tax	2008	Campbell
Austin Travis County Integral Health Care	Plan Admin, Tax	2013	Campbell
Beaumont Firemen's Relief and Retirement Fund	All	2008	Campbell
Big Spring Firemen's Relief and Retirement	Plan Admin	2014	Campbell
Conroe Firefighters' Relief and Retirement Fund	All	2011	Campbell
Corpus Christi Fire Fighters Retirement System	Tax	2008	Campbell
Denton Firefighters Relief and Retirement Fund	Plan Admin	2007	Campbell
Employees' Retirement Fund of Fort Worth	Plan Admin, Fid	2010	Campbell
Firemen's Relief and Retirement Fund of Lufkin	All	2008	Campbell
Harlingen Fire Fighters Relief and Retirement Fund	Plan Admin	2007	Campbell
Houston Firefighters' Relief & Retirement Fund	Fid	2006	Campbell
Houston Municipal Employees Pension System	Fid	2009	Campbell
Irving Firemen's Relief and Retirement Fund	Plan Admin	2013	Campbell
Killeen Firefighters' Relief and Retirement Fund	All	2007	Campbell
Longview Firemen's Relief & Retirement	All	2013	Campbell
Parkland Hospital System (Dallas County Hospital District)	All	2070	Griffin
Texas Education Agency (Permanent School Fund)	Fid	2001	Campbell
Retirement System of Alabama	Fid, Plan Admin	2014	Campbell
Teacher Retirement System of the State of Illinois	Plan Admin	2006	Campbell
Temple Firefighters' and Retirement Fund	All	2007	Campbell
Texarkana Firemen's Relief and Retirement Fund	Tax	2015	Campbell
Texas County and District Retirement System	All	2011	Campbell
Texas Emergency Services Retirement System	Plan Admin, Tax	2008	Campbell



Name of Client	Description of Services	Date of Inception	Participating Attorneys
Texas Municipal Retirement System	Plan Admin	2011	Campbell
Travis Co ESD #6 Fire Fighters Relief and Retirement	All	2007	Campbell
Tyler Fire Department Relief and Retirement Fund	All	2008	Campbell
University Park Firemen's Relief and Retirement Fund	Fid	2015	Campbell
Wells Branch Municipal Utility District	All	2010	Campbell
Weslaco Firefighter's Relief and Retirement	Plan Admin, Tax	2012	Campbell
The Woodlands Fire Fighters Relief and Retirement	All	2011	Campbell
<b>PRIVATE CLIENTS</b>			
ARM, Inc.	All	2007	Campbell
Cook Children's Healthcare System	All	1994	Griffin
Covert Buick	Plan Admin, Tax	2014	Campbell
Fiesta Mart	Plan Admin	2011	Campbell
Horizon Bank	Plan Admin	2015	Campbell
Samsung	Plan Admin	2007	Campbell
Shannon Medical Center	All	2014	Campbell
Southwest Airlines	All	2008	Griffin

*All* – Services include Plan Administration, Tax, Fiduciary and Investment; Plan Admin – General pension services (plan administration, litigation, contracts, etc.); Tax – Tax services including qualified plan work; Fid – Fiduciary counsel services

# CONFLICT OF INTEREST QUESTIONNAIRE

## FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

### OFFICE USE ONLY

Date Received

**1** Name of vendor who has a business relationship with local governmental entity.

Jackson Walker L.L.P.

**2**  Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3** Name of local government officer about whom the information is being disclosed.

N/A - No information to disclose

Name of Officer

**4** Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes  No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes  No

**5** Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

**6**  Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

**7**   
Signature of vendor doing business with the governmental entity

4/27/16  
Date



Attorneys & Counselors

2200 Ross Avenue, Suite 2800  
Dallas, TX 75201  
Telephone: 214-740-8000  
Fax: 214-740-8800  
www.lockelord.com

Stefan P. Smith  
Partner  
Direct Telephone: 214-740-8796  
Direct Fax: 214-756-8796  
spsmith@lockelord.com

April 29, 2016

**BY COURIER**

Mr. Joshua Mond  
General Counsel  
Dallas Police and Fire Pension System  
4100 Harry Hines Blvd., Suite 100  
Dallas, TX 75219

**Re: Dallas Police and Fire Pension System Request for Qualifications for Legal Services**

Dear Mr. Mond:

Locke Lord LLP ("Locke Lord" or the "Firm") is pleased to submit this RFQ response for Outside Legal Counsel to the Dallas Police and Fire Pension System ("DPFP" or the "System"). We intend to seek consideration for sub-sections 1, 2, 3, 4, 5 and 6 of the Scope of Services in Section III of the RFQ.

I believe the Firm is uniquely qualified to provide the skills and experience that DPFP needs in an outside counsel for the plan. Our strengths include: (1) a full service law firm with deep experience in employee benefits law and pension plan administration (2) high quality personnel with the requisite experience in federal and Texas pension law and knowledge of federal and state administrative procedures; and (3) decades of experience serving Texas clients from our offices in Austin, Dallas and Houston. We also have the benefit of having worked together for a number of years on matters handled by our Public Law Department in Austin, and the Firm has worked with the System on benefits-related matters when necessitated by conflicts.

As lead partner on all employee benefits matters, I will be in charge of any tax and benefits law matters involving the System. Additionally, as a Partner in Locke Lord, I am authorized to sign this letter and bind the Firm contractually. The response and fee proposal is a firm and irrevocable offer of Locke Lord.

*Executive Summary*

Locke Lord's attorneys have years of experience addressing the needs of a variety of government employers in a number of disciplines, including: employee benefits, tax, labor and employment, public law, and litigation.

Locke Lord's benefits attorneys design and draft qualified and non-qualified retirement benefit plans, including defined benefit plans, defined contribution plans, 403(b) plans, and deferred compensation arrangements under Code Section 457. We advise fiduciaries regarding their duties, provide counsel regarding day-to-day plan administration, and are experienced with a number of issues that are unique to public-sector plans, such as, the myriad of enabling statutes, municipal ordinances, and other inter-government agreements that govern plans; unique contribution features; and ERISA preemption.

We also have deep experience in Texas public entity laws. Our lawyers are active representing both government agencies and organizations that are adverse to government agencies in open meetings and public information related issues. In January 2015, Locke Lord was named the No. 1 law firm lobby practice in Texas by Capitol Inside's Annual Texas Lobby Power Rankings, a top spot the Firm has held for the last decade.

For employment related work, our Dallas-based partners, Paul Nason and Kim Williams, would assist the DPFP in employment counseling and human resources matters. We counsel employers daily on issues such as hiring, disciplining and terminating employees; drafting and implementing workplace policies and procedures; conducting investigations; and managing layoffs.

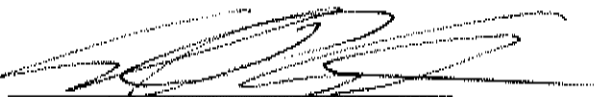
We recognize the DPFP's need to have litigators at the ready should any action be brought against it. As the 2014 *Texas Lawyer* Litigation Department of the Year, we are able to draw on an experienced bench of litigators in the financial space who would be ready to assist with DPFP matters.

Please find enclosed our response where you will find more detailed information about the Firm, the deep experience of our relevant practice groups, and the lawyers that I have assembled for this engagement. I hope that the information that follows provides you with a strong sense of our breadth, depth and quality of experience that we can offer DPFP. Since it is difficult to anticipate all issues that may have a bearing on your considerations in retaining counsel, we encourage you to contact us should you wish to discuss any matters, which are not addressed in this proposal or obtain clarification on any particular point.

Thank you again for your time and consideration of our response.

Very truly yours,

LOCKE LORD LLP



Stefan P. Smith

# Response to Request for Qualifications for Legal Services

Presented to

Dallas Police and Fire Pension System

Prepared by

**Stefan P. Smith**

Partner

[spsmith@lockelord.com](mailto:spsmith@lockelord.com)

2200 Ross Avenue

Suite 2200

Dallas, Texas 75201

Direct Dial: 214-740-8796

Direct Fax: 214-756-8796

April 29, 2016

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## About The Firm

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Locke Lord is a full-service, international law firm that ranks among *The American Lawyer's* top U.S. law firms. Our team has earned a solid reputation in complex litigation, regulatory and transactional work. We serve our clients' interests first, and these clients range from Fortune 500 and middle market public and private companies to start-ups and emerging businesses. Through its wide-ranging international footprint, Locke Lord has received numerous industry recognitions as a global leader in the middle market sector.

Locke Lord's team builds collaborative relationships and crafts creative solutions to solve problems - all designed and executed with long-term strategic goals in mind. Among Locke Lord's many strong practice areas are appellate, aviation, bankruptcy/restructuring/insolvency, business litigation and dispute resolution, class action litigation, consumer finance, corporate and finance transactions, employee benefits, energy, environmental, financial services, fund formation, health care and life sciences, insurance and reinsurance, intellectual property, international, labor and employment, mergers and acquisitions, privacy and cyber security, private equity, public finance, public law, real estate, regulatory, REIT, tax, technology, telecommunications, venture capital, and white collar criminal defense and internal investigations.

In the United States, Locke Lord has an extremely well-recognized presence in Texas, the Northeast, the Midwest, the Southeast and the West Coast in addition to strong offices in Asia, CEEMENA and London. The Firm provides national and international clients service across a full range of practices and industries from offices in Atlanta, Austin, Boston, Chicago, Dallas, Hartford, Hong Kong, Houston, Istanbul, London, Los Angeles, Miami, Morristown, New Orleans, New York, Providence, Stamford, Sacramento, San Francisco, Tokyo, Washington D.C. and West Palm Beach.

We embrace multiple points of view and support Local Diversity Committees as well as an overall Firm National Diversity Committee. Women hold positions of power in Firm management. There are three women on the Firm's Executive Committee, including Firm Chair Jerry Clements. The Firm's Board of Directors has five female members, one of whom serves as Co-Chair. Our groups and committees help promote a Firm-wide philosophy of inclusion and action, helping raise scholarship money for minority and economically disadvantaged students, hosting holiday parties for lower income children, donating to local food banks and charitable organizations that aid individuals and families in need, and supporting longtime Firm programs like Flexible Work Arrangements, Domestic Partner Benefits and the Women's Initiative. Corporate responsibility is an important part of Locke Lord's mission as we reach out to the communities we serve in meaningful partnerships and pro bono work.

Locke Lord's Mission Statement sets the tone: At the end of each year, we want our Firm to be better, stronger and more highly regarded than it was at the beginning.



# Law Firm Information

Locke  
Lord<sup>LLP</sup>



## A) Qualifications and Experience

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### Employee Benefits

Locke Lord's employee benefits attorneys have years of experience addressing the benefits-related needs of a variety of government employers. We know that practical and timely solutions to employee benefits issues are critical to maintaining the proper balance between advantage and cost.

Our attorneys have solid and good working relationships with government personnel and agencies, including the Internal Revenue Service, Office of the Texas Attorney General, Texas Department of Insurance, Texas Workforce Commission, and Texas Pension Review Board. With many of our attorneys having 20 or more years of experience, their credentials include election to fellowships in the American College of Employee Benefits Counsel and the American College of Trust & Estate Counsel. Our attorneys hold leadership positions in the employee benefits committees or sections of the American Bar Association as well as various state and local bar associations. Our attorneys serve and have served as adjunct professors and lecturers at various law schools, including the Dedman School of Law at Southern Methodist University. We speak at seminars and other events sponsored by, among others, the American Bar Association. Our attorneys have published many scholarly articles on benefits-related topics.

**Stefan Smith**, Partner resident in our Dallas office, would be the lead attorney for all DFPF employee benefits matters. Please see his full bio in **Appendix A**.

**Retirement Plans.** The right strategies for pension and profit-sharing plans can help public-sector employees and employers succeed together. Locke Lord's benefits attorneys design and draft qualified and non-qualified benefit plans, including traditional defined benefit plans, profit sharing plans, 401(k) plans, money purchase pension plans, 403(b) plans, and deferred compensation arrangements under Code Section 457.

We provide a comprehensive service, from innovative plan design and administration to supporting plan fiduciaries with the identification, assessment, and execution of their duties. Our goal is to contain overall plan costs while meeting the needs of sponsors and participants. We regularly represent clients before federal and state agencies, including the IRS and Texas Pension Review Board.

Our representation of governmental plans often requires us to review, analyze, and interpret numerous materials that are entirely unique to public-sector plans, including: the Texas Constitution, enabling statutes, Attorney General opinions, municipal charters and ordinances, City Council and County Commissioner records, inter-government agreements, administrative law judge orders, and public safety officer association documents (e.g., Meet and Confer Agreement). We counsel our clients on the interrelationship among plan documents, qualified plan rules, and the respective duties, rights, and interests of municipalities and boards of trustees. Locke Lord attorneys are also very familiar with contribution issues that are commonly faced by public-sector plans, such as, deferred retirement option programs, pick-up contributions, Social Security replacement, and participant contributions to defined benefit plans.

Our customized, individual approach to each client means effective strategies on a host of issues, including the following:

- Designing and tailoring administration of qualified plans to avoid hidden costs and liabilities that can result in costly administrative difficulties and compliance disputes
- Structuring retirement benefits for rank-and-file as well as executive-level participants
- Preparing plan and trust documents, summary plan descriptions and employee benefits communications and training materials
- Identifying and correcting operational errors
- Designing procedures to assure compliance with fiduciary standards
- Managing responses to audits and enforcement actions of the IRS, state insurance agencies and other state regulators
- Drafting record retention and security policies to comply with the documentation, confidentiality and privacy requirements under the Internal Revenue Code and other applicable laws and regulations
- Helping clients manage fiduciary risks associated with the selection and monitoring of plan vendors and service providers, including ensuring compliance with related disclosure and reporting requirements
- Aiding in the review of investment-related documents, including: investment advisor and manager agreements, private placement memoranda, partnership agreements, and subscription materials relating to non-publicly traded securities
- Drafting and reviewing court orders that are intended to satisfy the requirements of a Qualified Domestic Relations Order under federal and state law

**Health, Managed Care and Welfare Plans.** Should the need arise, Locke Lord attorneys have extensive experience in the design, implementation, documentation and administration of health benefit plans as well. With our reputation for prudence in this field, we have helped clients contain plan costs, manage liabilities and comply with rapidly changing laws and regulations for many years.

## **Labor & Employment**

Locke Lord's skilled team of labor and employment attorneys has the experience to handle any labor and employment issue. We have defended our clients in jury and non-jury trials, as well as in administrative hearings. However, our preventive counseling services oftentimes resolve or help avoid labor and employment claims without litigation. We have also prosecuted lawsuits on behalf of our clients to protect their interests.

In addition to our litigation experience, we have significant experience with alternative dispute resolution systems and have arbitrated numerous cases for a broad range of companies under their collective bargaining agreements and individual employment contracts.

Our team understands the complexities of labor and employment law. We counsel employers daily on issues such as hiring, disciplining and terminating employees; drafting and implementing workplace policies and procedures; conducting investigations; and managing layoffs.

Specifically, we have represented clients in a wide array of employment-related matters and several employment and civil rights litigation matters, including:

- Representation of clients in defense of employment/civil rights litigation in:
  - Title VII race, sex, religious and national origins discrimination/retaliation claims;
  - Americans with Disability Act discrimination/retaliation claims;
  - Family and Medical Leave Act claims; and
  - Fair Labor Standards Act claims;
- Representation in connection with severance agreements, reductions-in-force policies, procedures and notices, and termination notices;
- Representation in formulating and drafting employment and human resources policies, procedures, and pursuit of investigations;
- Provision of advice, counsel, and drafting Business Diversity policies, procedures, and programs; and
- Representation in connection with executive employment, including drafting and review of employment agreements and drafting and reviewing severance agreement.

With the dramatic increase in wage and hour claims and constant changes in federal and state regulations, wage and hour compliance has achieved an unparalleled importance for employers. Employers must ensure that both their wage and hour policies and practices comply with applicable federal and state laws, or risk substantial exposure. We have assisted clients with respect to unpaid overtime claims and in adjusting its policies and practices to guard against future claims.

Our attorneys ensure compliance with evolving labor and employment laws, and our client-customized approach seeks the best possible resolution for each client's unique set of issues. Our ongoing training and consulting keep clients within the limits of a host of regulatory requirements so they can focus on running their businesses - not on costly government investigations. In addition to the matters on which we have assisted clients that are listed above, we have extensive experience with:

- Age Discrimination in Employment Act
- National Labor Relations Act
- Labor Management Relations Act
- Occupational Safety and Health Act
- Worker Adjustment and Retraining Notification Act
- Executive Order 11246, and other laws requiring affirmative action
- Sarbanes-Oxley Act and other whistleblower laws

**Paul Nason and Kimberly Williams**, listed under this practice area, have a depth of experience and extensive knowledge on virtually every employment and labor law scenario imaginable. Please see their biographies in **Appendix A**.

Our attorneys have a host of professional honors, including selection as Fellows in the College of Labor and Employment Lawyers, the American College of Trial Lawyers, the American Board of Trial Attorneys, and selection by their peers as Super Lawyers and Best Lawyers in the area of labor and employment law.

## Employment Counseling & Compliance

Our practical day-to-day advice is geared toward helping employers achieve operational and human resources goals while reducing the potential for costly litigation. We frequently provide our clients with counseling and compliance assistance in the following areas:

- Developing corporate policies and practices that minimize the risk of successful claims.
- Conducting company-wide audits on a variety of topics, including wage and hour and EEO compliance and personnel policies.
- Designing and implementing downsizing and corporate restructurings, including exit incentive programs under the Older Workers Benefit Protection Act.
- Training management and supervisory employees in areas such as harassment, discrimination, retaliation and discipline and discharge.
- Helping employers prepare for and respond to government audits and investigations and providing representation throughout the process.

Our labor and employment attorneys work with our clients to develop responsible business practices that minimize risk, by training employees to promote a culture of compliance, and by responding effectively and efficiently to audits, investigations and lawsuits.

## Texas Public Law

Our Public Law partners, associates and professionals in Houston, Austin and Dallas form a Texas team that has built up unparalleled relationships, trust and an outstanding reputation for integrity across the Southwest and beyond. They form the foundation for our proactive counsel and are one of the keys to Locke Lord's public law strength. Locke Lord has had the top-ranked lobby practice in Texas every year since 2004, according to *Capitol Inside's* Texas Lobby Power Rankings. We have a celebrated federal Public Law practice out of our Washington DC office, also.

Our lawyers are also active in Texas representing both government agencies and organizations that are adverse to government agencies in open meetings and public information related issues. In Texas, we counsel clients on proper subject matter for closed sessions, proper invocation of the "competitive issues" exception under Texas Senate Bill 7 (the electric deregulation bill) and proper postings for meetings and subject matter descriptions of issues to be considered. Our lawyers represent parties seeking documents from governmental entities. Likewise, on behalf of state and local governmental entities, we advise agencies on policies and procedures regarding responses to public information requests.

At the local level, our lawyers and professionals work with officials of all types of governmental bodies, including city, county or parish officials and members of special bodies, such as regional mobility agencies, water districts, river authorities, road districts and other political subdivisions. We represent clients in matters concerning land development, revitalization of urban areas, tax abatements, telecommunications tower siting, utility regulation, franchise rights, zoning and a myriad of other local government issues. We also develop private/public partnerships.

**Lori Fixley Winland**, listed under this practice area, has a depth of experience and extensive knowledge working with public entities on procurement, Public Information Act, Open Meetings Act and ethics issues. Please see her biography in **Appendix A**.

## **B) Resumes of Individuals**

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We propose the following lawyers to work on DFPF matters. Please see their complete resumes in **Appendix A**.

### *Employee Benefits*

Stefan P. Smith, Partner

E. Philip Bush, Partner

Sarah Rous, Senior Counsel

Sarah Fry, Senior Counsel

Katy Skattum, Associate

### *Labor & Employment*

Paul Nason, Partner

Kimberly Williams, Partner

Robin Shaughnessy, Senior Counsel

Sean Kilian, Associate

### *Public Law*

Lori Fixley Winland, Associate

As noted in our cover letter, we maintain a deep bench of litigators in case their services are required by DFPF. As matters warrant, we can match Dallas lawyers with the particular skillset required for the the System's instructions.

## **C) Conflicts of Interest**

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We have enjoyed working with DFPF on matters related to public law and do not see any current conflicts. We note that Locke Lord from time to time represents the underwriters in bond issues by the City of Dallas. While we do not believe that such representation of bond underwriters to be a conflict of interest with our representation of the DFPF, in an abundance of caution we plan to institute internal procedures such that our personnel working on those bond issues have no contact with our representation of the DFPF and our personnel working on DFPF matters have no contact with our

representation on those bond issues. We will ask those underwriter clients and the DPFP to consent to those arrangements. In general, Locke Lord is vigilant to run conflicts before opening any new matter.

## D) Malpractice and Discipline

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Please attached Schedule of Cases pending against Locke Lord LLP (the “Firm”) in **Appendix B**. One of those cases (Kalan, et al., v. Farmers & Merchants, et al.) involves claims of alleged ERISA violations. However, neither Kalan nor any of the other cases on the Schedule, nor any prior settled claims to our knowledge, have involved services related to those contemplated by this RFP. None of the attorneys identified in this response has been named as a defendant in the Kalan case or in any malpractice or disciplinary actions.

## E) References

---

1) Tony Harvey, Chairman  
Irving Firemen’s Relief and Retirement Fund  
845 West Irving Boulevard  
Irving, Texas 75060  
(972) 721-3672  
tharvey@cityofirving.org

2) Ann Masel, Administrator  
City of Galveston Retirement Plan for Police  
1011 Tremont  
Galveston, Texas 77550  
(409) 765-9311  
amasel@hllb-cpa.com

3) James Parnell, Secretary/Treasurer  
Dallas Police Association  
1412 Griffin Street East  
Dallas, Texas 75215  
(214) 747 6839  
jsparnell@gmail.com

### Client Representation

Throughout its history, the Firm has represented many private and public entities serving as outside counsel. The Firm currently represents dozens of governmental entities in Texas, including:

- ACCESS MHMR
- Alamo Regional Mobility Authority
- Cameron County Regional Mobility Authority
- Camino Real Regional Mobility Authority
- Irving Firemen’s Relief and Retirement Fund
- McAllen Firemen's Relief and Retirement Fund
- Montgomery County Emergency Services District

- Capital Metropolitan Transportation Authority,
- Central Texas Regional Mobility Authority
- City of Frisco
- City of Galveston Employee’s Pension Plan for City Employees
- City of Galveston Employee’s Pension Plan for Police
- Dallas Area Rapid Transit (DART)
- Dallas Development Fund
- East Texas Council of Governments
- Fort Worth Transportation Authority (The T)
- Grayson County Regional Mobility Authority
- Hunt Regional Medical Center
- Huntsville Memorial Hospital District
- North East Texas Regional Mobility Authority
- North Texas Tollway Authority
- Strategic Housing Finance Corp. of Travis County
- Texas A&M University System
- Town of Addison
- Travis County Healthcare District
- University Park Firemen’s Relief and Retirement Fund
- University of North Texas
- University of Texas System
- Webb County-City of Laredo Regional Mobility Authority
- Wichita Falls Firefighter’s Relief and Retirement Fund

Through that representation, Firm attorneys have long and broad experience in providing legal services in the following areas:

- Texas Public Information Act
- Texas Open Meetings Act
- Government Contracting and Procurement
- Board Member and Employee Conflicts of Interest
- Rulemaking and Drafting of Policies
- Government Personnel and Employment
- Employee Pensions and Benefits
- Legislative Advice and Drafting

Other Private Clients:

- Baylor Scott & White Health
- Dallas Museum of Art
- Southern Methodist University
- The Hockaday School

## F) Pending Litigation

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Please see attached Schedule of (pending) Cases in **Appendix B**. There is no relevant pending judgment, conviction, or investigation of the Firm or any of its personnel.

## G) Representations and Warranties

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Please find an executed copy of Exhibit 1 which follows this section.

## H) Fee Proposal

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Firm Position	Name	Rate** (Represents 20% discount)
Partner	Stefan P. Smith	\$564
Partner	E. Philip Bush	\$744
Senior Counsel	Sarah Rous	\$540
Senior Counsel	Sarah Fry	\$312
Associate	Katy Skattum	\$432
Partner	Paul Nason	\$636
Partner	Kimberly Williams	\$500
Senior Counsel	Robin Shaughnessy	\$476
Associate	Sean Kilian	\$300
Associate	Lori Fixley Winland	\$464

Due to our rates being dependent on a variety of factors including location, seniority, client needs and duration of representation, we have not in the past agreed to Most Favored Nation clauses for clients. Locke Lord's philosophy is that every lawyer makes an informed decision that each billing statement represents a good value to the client with respect to the services performed. It is our goal that our clients be highly satisfied and pleased, not only with the quality and timeliness of our services, but also with the value of those services. We encourage our clients to apprise us if we are not successful in this endeavor. We genuinely do not want our clients to pay any statement that does not meet this standard. Our fundamental role as counsel is to be highly mindful of our fiduciary responsibilities to our clients, and we are highly cognizant of our duties as fiduciaries as we submit our billing statements to those we serve.

Locke Lord typically charges for legal services by the quarter-hour increment, multiplied by the applicable lawyer's standard hourly billing rate. Our Firm is creative in exploring and implementing fee arrangements, such as flat fee billing, fixed fee periodic charges, volume discount arrangements, success bonus coupled with deep discount, task based billing, and potential reverse contingency arrangements, to reduce the charges to clients, while providing quality services that are our tradition. Currently we have a fixed-fee project base arrangement for the public law work that we handle for DFPF. At the beginning of any matter, our Firm is willing to discuss the appropriateness of creative structures for the matter.



## I) CIQ Form

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We feel this is form is non-applicable although we will be vigilant to run conflicts before the outset of any new matter.

**Schedule of Cases for Dallas Police & Fire Pension**

The following alleged legal malpractice actions are pending against Locke Lord LLP (the “Firm”). Due to rules of confidentiality and privilege, we prefer not to provide additional detail than is contained herein. None of these cases has resulted in a judgment against the Firm.

*Palladino v. HSBC Bank U.S.A., N.A., et al.*, No. 15-cv-10610 (U.S.D.C. N.D. Ill.) (Pending)

*Kalan v. Farmers & Merchants Trust Co. of Chambersburg, et al.*, No. 15 1435 (U.S.D.C. E.D. Pa.) (Pending)

*Blanton v. Roundpoint Mortgage Servicing Corp., et al.*, No. 15-cv-3156 (U.S.D.C. N.D. Ill.) (Pending)

*Domanus, et al. v. Lewicki, et al.*, Case No. 15-3647 (U.S.C.A. 7th Cir.) (Pending)

*Williams v. Locke Lord LLP, et al.*, Civ. Action No. 14 EV 000630 (Fulton County, GA) (Pending)

*Wang v. Edwards Wildman Palmer LLP, et al.*, Case No. BC 569621 (Superior Court, County of Los Angeles, CA) (Pending)

*Mireskandari v. Edwards Wildman Palmer LLP*, No. BC 517799 (Superior Court, County of Los Angeles, CA) (Pending)

*Howland, et al. v. Kennedy, et al.*, C.A. No. 14-3709 (Superior Court, Providence County, RI) (Pending)

*Rossi, et al. v. Edwards Wildman Palmer LLP, et al.*, C.A. No. 13-0563 (Superior Court, Providence County, RI) (Pending)

*West v. Hoover, et al.*, C.A. No. 12-0873 (Superior Court, Kent County, RI) (Pending)

# Selected Biographies

Locke  
Lord<sup>LLP</sup>

## Stefan P. Smith

Partner

Stefan Smith has extensive experience in employee benefits and executive compensation law. He works with both public and private entities to establish and ensure the continued compliance of tax-qualified defined contribution and defined benefit retirement plans, including 401(k)/profit sharing plans, traditional defined benefit plans, money purchase plans, employee stock ownership plans, and cash balance plans. In addition, Stefan assists with employee benefit matters arising during mergers and acquisitions and works with all forms of health and welfare plans and executive and equity-based compensation, including incentive and non-qualified stock options, restricted stock awards, stock appreciation rights, employee stock purchase plans, phantom equity, performance unit and bonus plans, SERPs and other excess benefit plans, and non-qualified deferred compensation plans.



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8796  
Direct Fax: 214-756-8796  
[spsmith@lockelord.com](mailto:spsmith@lockelord.com)

### Practices

Employee Benefits & Executive Compensation  
Health Care  
Health Care Employee Benefits & Executive Compensation  
Tax  
Emerging Business

### Industry Groups

Consumer Products, Retail & Franchise

### Education

J.D., with honors, The University of Texas School of Law, 1999  
Texas Review of Law and Politics  
Judge Ross Sterling Endowed Presidential Scholarship in Law

B.A., *magna cum laude*, Political Science, Southern Methodist University, 1995  
Phi Beta Kappa

### Bar Admissions

Texas  
California

### Court Admissions

U.S. District Court for the Southern District of Texas  
U.S. District Court for the Central District of California  
U.S. Court of Federal Claims  
U.S. Tax Court

## Representative Experience

- Advise public and private employers regarding the establishment, documentation, and administration of all forms of tax-qualified retirement plans, including 401(k) plans, traditional defined benefit plans, money purchase plans, employee stock ownership plans, and cash balance plans, covering both non-represented and collectively-bargained employees.
- Represent governmental and non-profit employers regarding the unique tax, ERISA, and state law issues associated with their sponsorship and administration of qualified plans under Section 401(a) of the Code, tax-deferred annuity plans under Section 403(b) of the Code, and deferred compensation arrangements under Sections 457(b) and 457(f) of the Code.
- Assist employers with Internal Revenue Service, Department of Labor, and Pension Benefit Guaranty Corporation audits and the voluntary correction of compliance errors through the Employee Plans Compliance Resolution System, the Delinquent Filer Voluntary Compliance Program, and the Voluntary Fiduciary Correction Program.
- Represent plan sponsors and administrators regarding the identification and management of fiduciary duties under ERISA and the design and execution of prudent procedures relating to plan administration and the selection and monitoring of investments and third-party service providers.

- Consult regarding the merger, spin-off, and termination of plans, including the termination of defined benefit plans covered under Title IV of ERISA.
- Address income tax and ERISA issues relating to the investment by benefit plans in operating companies and other securities that are not publicly-offered, including the unrelated business taxable income and prohibited transaction risks associated with such investments.
- Experienced with all forms of incentive, executive, and equity-based compensation, including incentive and non-qualified stock options, restricted stock, stock appreciation rights, employee stock purchase plans, performance/phantom unit plans, bonus arrangements, severance agreements, retention programs, and non-qualified deferred compensation plans, including the application of Sections 162(m), 280G, and 409A of the Internal Revenue Code to such arrangements.
- Provide counsel regarding reporting and disclosure obligations under applicable securities laws relating to benefit plans and compensation arrangements.
- Work with all types of health and welfare benefit plans, including insured and self-funded arrangements, VEBAs, MEWAs, cafeteria plans under Section 125 of the Code, flexible spending and health savings accounts, employee wellness programs, life insurance, and other fringe benefits. This experience includes the application of the Internal Revenue Code, ERISA, HIPAA, ADA, GINA, and health reform efforts under the Patient Protection and Affordable Care Act to any such plans.
- Assist employer with federal and state withholding, reporting, and deposit obligations relating to employment and unemployment taxes and associated employee classification matters.
- Advise employers regarding international pension and other cross-border arrangements, including Puerto Rico qualified and dual-qualified plans, Canadian registered retirement savings plans, and United Kingdom pension schemes.
- Provide counsel regarding all the above issues and other employment and compensation transition matters arising in connection with mergers and acquisitions.

## Professional Affiliations and Awards

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- Member, State Bar of Texas
- Member, State Bar of California
- Southern Methodist University Dedman School of Law
  - Adjunct Professor of Law

- Member, American Bar Association, Tax Section/Employee Benefits Committee
  - Chair of the Self Correction, Determination Letters and Other Administrative Practices Subcommittee
  - Assistant Vice Chair, Subcommittee on Multiple Employers, PEOs and Controlled and Affiliated Service Groups
- Member, Dallas Bar Association
  - Immediate Past Chair, Employee Benefits and Executive Compensation Section
- Member, Los Angeles County Bar Association
  - Past Chairman, Employee Benefits and Executive Compensation Section
- Named, *The Best Lawyers in America*, Employee Benefits (ERISA) Law (2013-2016)

## Publications & Presentations

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- "Supreme Court Ruling on Legal Definition of 'Spouse' Requires Scrutiny of Employee Benefit Plans: Locke Lord Q&A Series," October 12, 2015
- Co-Author, "Locke Lord QuickStudy: EEOC Proposes Rule Addressing Incentives in Employee Wellness Programs," Locke Lord LLP, April 23, 2015
- Co-Author, "Locke Lord QuickStudy: IRS Clarifies Performance-Based Compensation Exception Under Code Section 162(m)," Locke Lord LLP, April 7, 2015
- Co-Author, "Locke Lord QuickStudy: IRS Clarifies Performance-Based Compensation Exception Under Code Section 162(m)," Locke Lord LLP, April 7, 2015
- Speaker, "There is Nothing More Certain than Healthcare Coverage or Taxes," 12th Annual Washington Health Law Summit, December 9, 2014
- Co-Author, "Locke Lord QuickStudy: The Tax Advantages to Emerging Businesses of Utilizing Profits Interests as Equity Awards," Locke Lord LLP, October 21, 2014
- Contributor, "Data Protection Newsletter," Locke Lord, September 2014
- Co-Author, "Locke Lord QuickStudy: Understanding Stock Options - The Differences Between ISOs and NQSOs," Locke Lord, March 31, 2014

- Speaker, "The Affordable Care Act – The Top 5 Things Every Employer Should Know," Locke Lord LLP 2014 Employer Update Breakfast Briefing, February 6, 2014
- Co-Author, "Locke Lord QuickStudy: Why Founders and Employees of Emerging Businesses Need to Understand 83(b) Elections," January 14, 2014
- Co-Author, "Locke Lord QuickStudy: Changes to Employee Wellness Programs Effective in 2014," June 13, 2013
- Presenter, "PPACA Rules on Wellness Programs: Providing Clarity and Best Practices on How to Implement This Cost Containing Measure," American Conference Institute Employee Benefit Plans CLE Conference, New York, May 31, 2013
- Panelist, "Locke Lord LLP Seminar on Issues and Problems Affecting Employee Benefits Plan Sponsors," Dallas, Texas, September 2012
- Presenter, "A Plan Sponsor Survival Guide to Department of Labor Investigations," Co-hosted by Locke Lord LLP and Lockton Investment Advisors, LLC, Dallas, Texas, April 30, 2012
- Presenter, "Compliance Issues Facing Employee Wellness Programs," Locke Lord LLP Seminar on Issues and Problems Affecting Employee Benefits Plan Sponsors, Dallas, Texas, May 31, 2011
- Presenter, "Common Qualified Plan Mistakes," Co-hosted by Locke Lord LLP and Lockton Investment Advisors, LLC, Dallas, Texas, March 31, 2011
- Presenter, "Five Common Qualified Retirement Plan Errors," Meeting of the Panhandle Human Resources Association, Amarillo, Texas, January 31, 2011
- Speaker, "Top 5 Qualified Plan Compliance Issues," Panhandle Human Resources Association January Monthly Meeting, January 4, 2011
- Presenter, "Terminating a Plan Vendor Relationship," Locke Lord Bissell & Liddell LLP Seminar on Issues and Problems Affecting Employee Benefits Plan Sponsors, Dallas, Texas, November 30, 2010
- Presenter, "Form 5500 Annual Reporting Compliance," Meeting of the Employee Benefits Committee of the American Bar Association Tax Section, Toronto, Canada, October 31, 2010
- Presenter, "Updates to the Employee Plans Compliance Resolution System," Meeting of the Employee Benefits Committee of the American Bar Association Tax Section Washington, D.C., May 31, 2010
- Presenter, "Identifying and Correcting Scrivener Errors in Employee Benefit Plans," American Conference Institute Employee Benefit Plan Seminar, New York, May 2010

- Presenter, "Managing Plan Vendor Relationships," Southwest Benefits Association Employee Benefits Skills Workshop, Dallas, Texas and Houston, Texas, February 2010
- Presenter, "Update on Health Plan Legislation," Meeting of the Dallas Bar Association Employee Benefits Section, Dallas, Texas, November 2009
- Presenter, "Legal Update on Qualified Retirement Plans," Locke Lord Bissell & Liddell LLP Seminar on Issues and Problems Affecting Employee Benefits Plan Sponsors, Dallas, Texas, 2009
- Presenter, "Stock Options and Other Forms of Incentive Compensation," Texas Payroll Conference, San Antonio, Texas, 2009
- Presenter, "When Employee Benefit Plans Become Tax Shelters," Law Education Institute and Colorado Bar Association National CLE Conference, Vail, Colorado, 2009
- Presenter, "When Employee Benefit Plans Become Tax Shelters," State Bar of Texas CLE, Dallas, Texas, 2008
- Presenter, "Issues to Address When Changing Plan Service Providers," Southwest Benefits Association Employee Benefits Skills Workshop, Tulsa, Oklahoma, 2008
- Presenter, "Automatic Retirement Plans," Southwest Benefits Association Fall Employee Benefits Conference for Practitioners and Plan Sponsors, Dallas, Texas, 2008
- Presenter, "Automatic Deferral Arrangements under 401(k) Plans," Law Education Institute and Colorado Bar Association National CLE Conference, Vail, Colorado, 2008
- Presenter, "When Employee Benefit Plans Become Tax Shelters," American Bar Association Tax Section Joint Fall Conference, San Francisco, California, 2008
- Presenter, "ERISA Fiduciary Duty Update," Locke Liddell & Sapp PLLC Seminar on Issues and Problems Affecting Employee Benefits in Texas, Dallas, Texas, 2007
- Presenter, "New Department of Labor Guidance Affecting Default Investment Options and ERISA Section 404(c) Relief," Law Education Institute and Colorado Bar Association National CLE Conference, Snowmass, Colorado, 2007

## Community Involvement

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- Adult Patrol Leader, Boy Scouts of America Circle 10 Council



## E. Philip Bush

Partner

Philip Bush has been helping businesses understand and comply with the complex laws governing employee benefit plans and executive incentive programs for over 25 years. He has extensive experience in dealing with the IRS and the Department of Labor and resolving plan compliance issues. An adjunct faculty member of the SMU Dedman School of Law and a fellow of the American College of Employee Benefits Counsel, Philip is a frequent speaker at employee benefit and executive compensation programs sponsored by the ABA and other professional organizations.

Philip has extensive experience advising business owners, executives and high net-worth individuals in estate planning as well as trust and estate administration matters. Philip frequently advises tax-exempt organizations regarding their formation and ongoing compliance matters.

### Representative Experience

- Representation of closely held and public companies in resolving issues arising from Internal Revenue Service audits and U.S. Dept. of Labor investigations of employee benefit plans.
- Representation of public, closely held, non-profit and governmental employers in design and implementation of employee benefit, equity incentive and executive compensation plans.
- Representation of individuals and estates on gift and estate tax controversies
- Advice regarding formation and operational compliance of employee stock ownership plan (“ESOP”) and negotiation of exempt loan for purchase of employer stock.
- Advice to a variety of employers regarding HIPAA privacy, non-discrimination and other health compliance matters.
- Representation of plan investment fiduciaries on ERISA and tax issues related to plan investments.
- Representation of tax-exempt organizations in examinations by the Internal Revenue Service.
- Advice to a variety of employers on controlled group issues and benefit matters arising from acquisitions and dispositions.
- Negotiation of trust agreements, consulting and administrative services agreements and health insurance contracts on behalf of employers.



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8542  
Direct Fax: 214-740-8800  
[epbush@lockelord.com](mailto:epbush@lockelord.com)

#### Practices

Tax  
Employee Benefits & Executive Compensation  
Trusts & Estates  
Nonprofits  
Health Care  
Health Care Employee Benefits & Executive Compensation

#### Education

LL.M., Taxation, Southern Methodist University School of Law, 1985

J.D., Southern Methodist University School of Law, 1978

B.A., Southwestern University, 1975

#### Bar Admissions

Texas, 1978  
U.S. Supreme Court

#### Court Admissions

U.S. Court of Appeals for the Fifth Circuit  
U.S. District Court for the Northern District of Texas  
U.S. Tax Court

- Representation of family members in disputes arising in estate administration and probate.
- Advice to and representation of tax-exempt organization personnel on a variety of compliance requirements, such as lobbying limitations and prohibitions against private investment.
- Representation of employers and individual participants in alleged "listed transactions" in examinations by the Internal Revenue Service.

## Professional History

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- Partner, Locke Lord LLP
- Adjunct Professor, Southern Methodist University School of Law, "Taxation of Deferred Compensation" (Spring)

## Board Certifications

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- Taxation, Texas Board of Legal Specialization

## Professional Affiliations and Awards

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- Named, Best Business Lawyers in Dallas, *D Magazine*
- Listed, *Who's Who in America*
- Named, *The Best Lawyers in America*, Employee Benefits Law
- Listed, Texas Super Lawyers, *Texas Monthly Magazine* since 2003
- Listed, Best Lawyers in Dallas, *D Magazine*
- Fellow, American College of Employee Benefits Counsel
- Past Chair, American Bar Association, Employee Benefits Committee, Health Law Section
- Delegate, American Bar Association, Joint Committee on Employee Benefits
- Past Chair, IRS Mid-States Key District EP/EO Council
- Past Chair, Personal Service Organizations Committee, Tax Section, American Bar Association
- Past President, SouthWest Benefits Association
- Past Vice-Chair, State Bar of Texas, Employee Benefits Committee, Tax Section

## Publications & Presentations

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- Co-Presenter, "Pension Compliance FAQs," American Society of Pension Professionals and Actuaries Benefits Council of Dallas/Fort Worth, April 2014
- Co-Author, "Texas Lawyer: TAX: Tax and Same-Sex Marriage," *Texas Lawyer*, December 16, 2013

- Co-Author, "Impact of Recent Same-Sex Marriage Developments on Employee Benefit Plans," September 19, 2013
- Co-Author, "Locke Lord QuickStudy: New Voluntary Settlement Program for Worker Classification," September 23, 2011
- Speaker, "Presentation: A First Look at Health Care Reform - What Employers Need to Know," Locke Lord CLE Series, April 28, 2010

## Community Involvement

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- Board of Trustees, Southwestern University (1977 - 1979)
- Board of Directors, Methodist Hospitals of Dallas Foundation (1998 - 2007)

## Sarah Fry

Senior Counsel

Sarah Fry is a senior counsel in the Dallas office of Locke Lord LLP where she concentrates her practice in tax, ERISA and employee benefits law, including qualified retirement plans, health and welfare plans, and nonqualified deferred compensation plans.

Sarah has significant experience advising clients on establishing and designing, administering, and terminating tax-qualified retirement plans, such as traditional and hybrid defined benefit plans and defined contribution plans. She also regularly addresses situations that involve correcting errors using the Internal Revenue Service's Employee Plans Compliance Resolution System and the Department of Labor's Voluntary Fiduciary Correction Program and Delinquent Filer Correction Program. She has also represented clients in connection with audit activity by the IRS.

Sarah provides comprehensive advice regarding compliance issues for health and welfare plans related to ERISA, COBRA, the Affordable Care Act, and HIPAA/HITECH.

Sarah's experience also extends to benefits arrangements involving labor unions and collectively bargained work forces. Along with labor counsel, she has worked closely on a multitude of issues for single employer and multiemployer plans providing retirement and welfare benefits. This includes coordinating with labor counsel during negotiations to evaluate the impact of negotiating positions on benefits and to assist during arbitrations on technical benefits issues.

She has advised clients across the nation that represent various industries, including by way of example, international commercial air carriers, express delivery and logistics companies, energy companies, food producers, emerging or established high tech companies, pharmaceutical and life sciences companies, financial service providers and banks, and private equity firms.

## Representative Experience

- Advise clients on fiduciary structure of retirement plan, including designation of plan administrator, the structure of investment committee and administrative committee.
- Advise clients on service fee agreements, third party administrator agreements, and trust agreements.



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8424  
Direct Fax: 214-756-8689  
[sarah.fry@lockelord.com](mailto:sarah.fry@lockelord.com)

### Practices

Tax  
Corporate & Partnership Tax  
Employee Benefits & Executive Compensation  
Health Care Employee Benefits & Executive Compensation

### Education

LL.M., with distinction, Georgetown University Law Center, 2008  
Certificate in Employee Benefits Law

J.D., American University, Washington College of Law, 2005  
Articles Editor, *The American University Journal of Gender, Social Policy and the Law*

M.B.A., University of South Florida, 2001

B.S., Food and Resource Economics, University of Florida, 1998

### Bar Admissions

Texas  
Massachusetts  
New York

- Advise clients on the implementation of the Affordable Care Act, e.g., application of the transition rules for 2015, the application of the stability period and determination of the controlled group.
- Advise clients on the Department of Labor's Voluntary Fiduciary Correction Program and prepare such filings for clients.
- Review independent audits of qualified plans for filing of 5500s, and assist in finalizing 5500s for qualified plans and health and welfare plans.

## Professional History

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- Senior Counsel, Locke Lord LLP
- Partner, Culhane Meadows, PLLC
- Associate, Conner & Winters, LLC
- Associate, Morgan Lewis & Bockius

## Professional Affiliations and Awards

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- Named to *The Best Lawyers in America*, Taxation (2013-2016)
- Named, Texas Rising Star by *Super Lawyers* magazine (2013)
- Member, American Bar Association, Section of Taxation
  - Vice-Chair Subcommittee on Defined Benefit Plans (July 2013 – Present)
  - Young Lawyer Liaison Subcommittee on Defined Benefit Plans (May 2010 – June 2013)
- Attendee, Gulf Coast Area TE/GE Council (July 2011 – Present)
- Member, Dallas Bar Association

## Publications & Presentations

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- Co-Author, "Locke Lord QuickStudy: More Worries For Private Equity Funds - Another Structuring Fix Against ERISA Withdrawal Liability Dismantled," Locke Lord LLP, April 1, 2016
- Author, "Locke Lord QuickStudy: IRS Changes Retirement Plan Correction Program (EPCRS)," Locke Lord LLP, April 17, 2015

## Sarah J.G. Rous

Senior Counsel

Sarah Rous concentrates on employee benefits and tax law. Sarah has prepared plan documents, summary plan descriptions, and a variety of IRS and Department of Labor submissions and filings. She has represented employers in extensive Internal Revenue Service and Department of Labor audits. With regard to qualified retirement plans, executive compensation plans and health and welfare plans, Sarah also advises clients on plan design matters, amending and terminating plans, merger and acquisition issues, and identifying and correcting operational errors.



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8419  
Direct Fax: 214-740-8800  
[srous@lockelord.com](mailto:srous@lockelord.com)

### Representative Experience

- Prepare benefit plan restatements, related summary plan descriptions, and IRS submissions with respect to multiple defined contribution and union and non-union defined benefit plans sponsored by publicly-traded company.
- Represent large nonprofit employer in Internal Revenue Service audit of qualified retirement plan; manage related data collection and analyses; prepare correction plans and methods; prepare related plan amendments and restatement.
- Represent bankruptcy trustee in terminating and liquidating qualified retirement plans sponsored by bankrupt employers, including extensive compliance review of plan operations; preparation of plan amendments, IRS termination submission, and annual filings; and management of liquidation of plan's trust.
- Assist multiple employers in correcting failure to transmit salary deferral monies into trust within time limits prescribed by law.
- Assist multiple employers with correcting operational failures related to qualified retirement plans through data collection and analysis and preparation of correction methods, related IRS submissions, and plan amendments.
- Represent large employer in Department of Labor application for exemption from prohibited transaction laws related to qualified retirement plan, including preparation of application and related analysis and counsel.

#### Practices

Employee Benefits & Executive Compensation  
Corporate Tax  
Health Care

#### Education

J.D., *magna cum laude*, Southern Methodist University School of Law, 1999

Order of the Coif  
Articles Editor, Southern Methodist University Law Review, 1998-1999

M.S.W., University of North Carolina, 1991

B.A., *summa cum laude*, Kenyon College, 1989  
Phi Beta Kappa

#### Bar Admissions

Texas



## Katy Zarolia Skattum

Associate

Katy Skattum is an employee benefits and executive compensation attorney focusing her practice on compliance issues concerning qualified retirement plans, health and welfare plans, executive employment agreements, equity-based compensation, performance-based compensation, and other nonqualified deferred compensation plans.

With regard to qualified retirement plans, Katy advises clients on plan design matters, required plan amendments and disclosures, determination letter applications, and identifying and correcting plan document and operational errors. She also advises employers on issues related to implementing changes to their group health plans required for compliance with the Patient Protection and Affordable Care Act, as well as, designing employee wellness programs to comply with HIPAA, the ADA, and GINA. In addition, Katy advises her clients on employee benefit matters arising during mergers and acquisitions, including assessment of golden parachute arrangements.

### Representative Experience

- Advise clients regarding performance-based compensation plans subject to Code Section 162(m) and nonqualified deferred compensation plans subject to Code Sections 409A and 457A.
- Draft and negotiate executive employment agreements, change in control agreements, and severance agreements.
- Design equity-based compensation plans and award agreements for compliance with the tax code.
- Advise clients on employee benefit issues related to same-sex spouses.
- Counsel clients on employee benefit issues identified in mergers and acquisitions, including golden parachute taxes.
- Draft amendments, summary plan descriptions, and participant disclosures to assist clients in keeping their retirement plans and welfare plans in compliance with current law.
- Assist clients in correcting qualified plan failures through the Employee Plans Compliance Resolution System, the Voluntary Fiduciary Correction Program and the Delinquent Filer Voluntary Compliance Program.
- Draft private letter ruling requests on behalf of clients seeking IRS guidance on specific employee benefit related issues.



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8687  
Direct Fax: 214-756-8687  
[kskattum@lockelord.com](mailto:kskattum@lockelord.com)

#### Practices

Employee Benefits & Executive Compensation  
Tax  
Health Care  
Health Care Employee Benefits & Executive Compensation  
Nonprofits

#### Education

J.D., Washington University School of Law, 2006  
Dean's List

B.B.A., Business Honors and Management Information Systems, The University of Texas at Austin, 2001

#### Bar Admissions

Texas, 2006

## Professional Affiliations and Awards

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- Member, State Bar of Texas
- Member, Dallas Bar Association
  - Employee Benefits/Executive Compensation Section

## Publications & Presentations

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- Co-Author, "Locke Lord QuickStudy: IRS Clarifies Financial Assistance Policy Requirements for Charitable Hospital Organizations," Locke Lord LLP, July 20, 2015
- Co-Author, "Locke Lord QuickStudy: EEOC Proposes Rule Addressing Incentives in Employee Wellness Programs," Locke Lord LLP, April 23, 2015
- Co-Author, "Locke Lord QuickStudy: Changes to Employee Wellness Programs Effective in 2014," June 13, 2013
- Co-Author, "Locke Lord QuickStudy: Health Reform Considerations for Employers Preparing for Open Enrollment," August 8, 2012
- "Public or Private? How the Distinction May Affect Your Company's Executive Compensation Practices," The Texas Tax Lawyer, May 2009



## Paul G. Nason

Partner

Paul Nason has focused his entire career on employment and labor law and litigation. For more than 20 years, he has exclusively represented national, regional and local employers and management in state and federal court cases involving employment discrimination, wrongful discharge, wage and hour, breach-of-contract, employment torts, and unfair competition matters.

Paul has extensive experience representing employers before various federal and state administrative agencies, including the Equal Employment Opportunity Commission (EEOC), United States Department of Labor (DOL), National Labor Relations Board (NLRB), Office of Federal Contract Compliance Programs (OFCCP), Occupational Safety and Health Administration (OSHA), the Texas Workforce Commission, and the New Mexico Human Rights Commission. He also counsels employers on compliance with state and federal employment and labor laws, including providing daily advice and counsel to human resources, legal, and executive personnel on employee discipline and termination matters. Paul has also conducted numerous wage and hour audits for employers in various industries.

Paul also represents management in labor law matters. He has extensive experience in collective bargaining, unfair labor practice litigation, grievance arbitration and union avoidance campaigns.

Paul is a member of the Firm's Board of Directors, the head of the Labor and Employment Practice Group in Dallas, and a member of the Firm's Benefits Committee.

### Representative Experience

- Representation of local, regional and national employers in federal and state court litigation and arbitrations involving discrimination, retaliation, wrongful discharge, contract, and employment tort claims.
- Prosecution and defense of actions involving non-competition, non-solicitation and confidentiality agreements in order to protect business interests, including proprietary and trade secret information and customers.
- Representation of employers in individual and collective actions under the Fair Labor Standards Act and similar state wage and hour laws.
- Representation of employers in whistleblower litigation under state



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8562  
Direct Fax: 214-740-8800  
[pnason@lockelord.com](mailto:pnason@lockelord.com)

#### Practices

Labor & Employment  
Health Care Labor & Employment  
Employment Counseling & Compliance  
Employment Litigation  
Employment Class Actions (Title VII, WARN, FLSA Collective Actions)  
NLRB & Unions  
OSHA  
Unfair Competition / Trade Secrets / Non-Competition Agreements  
Wage & Hour Compliance & Litigation (Overtime Collective/Class Actions)

#### Industry Groups

Educational Institutions

#### Education

J.D., *cum laude*, Washington and Lee University School of Law, 1992

B.A., *magna cum laude*, Political Science, The University of Texas at Arlington, 1989

#### Bar Admissions

Texas, 1997  
New Mexico, 1992

#### Court Admissions

U.S. Court of Appeals for the Fifth Circuit

and federal law, including the Sarbanes-Oxley Act and the Dodd-Frank Act.

- Daily advice and counsel to legal, executive and human resources personnel on employee discipline and termination matters and compliance with state and federal employment and labor laws.
- Analysis and advice regarding various state and federal wage and hour issues.
- Representation of employers in investigations by the United States Department of Labor (DOL), Equal Employment Opportunity Commission (EEOC) and the Occupational Safety and Health Administration (OSHA) and related state agencies.
- Representation of employers with union workers in collective bargaining negotiations, unfair labor practice litigation and grievance arbitrations.
- Negotiation and enforcement of executive employment and separation agreements.
- Representation of businesses on labor and employment issues arising from mergers, acquisitions, reorganizations and reductions-in-force.

U.S. Court of Appeals for the Tenth Circuit

U.S. District Court for the Northern District of Texas

U.S. District Court for the Eastern District of Texas

U.S. District Court for the Southern District of Texas

U.S. District Court for the Western District of Texas

U.S. District Court for the District of New Mexico

U.S. District Court for the District of Colorado

## Professional Affiliations and Awards

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- Named, *The Best Lawyers in America*, Employment Law Management (2015-2016)
- Selected as one of the nation's Most Powerful Employment Attorneys (Up-and-Comers) by *Human Resource Executive* magazine and *Lawdragon* (2012)
- Selected as a Super Lawyer by *Texas Monthly* magazine (2009-2010, 2014-2015)
- Member, State Bar of Texas, Employment and Labor Law Section
- Member, American Bar Association, Employment and Labor Law Section
- Member, Dallas Bar Association

## Publications & Presentations

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- Panelist, "Too Many Directions: Legal Update & Day in the Life of an HR Executive," North Dallas Chamber of Commerce Human Resources Conference, April 8, 2015
- Presenter, "Now What? Hot Legal Issues for 2015," Locke Lord LLP 2015 Employer Update Breakfast Briefing, February 19, 2015
- Presenter, "Bad Company: The National Labor Relations Act and the Non-Union Employer," HRSouthwest Human Resources Conference and Exposition, October 7, 2014

- Panelist, "Legal Update and A Day in the Life of an HR Executive," North Dallas Chamber of Commerce Human Resources Conference, April 29, 2014
- Presenter, "Dollars and Sense: Hot Wage and Hour Issues for 2014," 2014 Employer Update Breakfast Briefing, Locke Lord LLP, February 6, 2014
- Presenter, "Effective Strategies for Hiring, Discipline and Termination," HRSouthwest Human Resources Conference and Exposition, October 15, 2013
- Panelist, "Creating a Culture of Compliance - Legal Update & Day in the Life of an HR Executive," North Dallas Chamber of Commerce Human Resources Conference, April 30, 2013
- Presenter, "I Thought You Were My Friend – Social Media In The Workplace," HRSouthwest Human Resources Conference and Exposition, October 15, 2012
- Presenter, "Make It Stop! Managing Expanding Employer Protections," HRSouthwest Human Resources Conference and Exposition, October 15, 2011
- Presenter, "Costly Errors: Common Employer Wage and Hour Mistakes," HRSouthwest Human Resources Conference and Exposition, October 15, 2010
- Presenter, "Preventing & Solving Today's Employment Law Problems," Locke Lord Annual Labor & Employment Law Conference, Chicago, October 23, 2009
- Presenter, "The Salary Excuse: Common Employer Overtime Pay Mistakes," HRSouthwest Human Resources Conference and Exposition, October 2008
- Presenter, "Feel the Burn: Healthy Investigations and Termination Practices," HRSouthwest Human Resources Conference and Exposition, October 2007
- Presenter, "Around the Law in 80 Minutes: Sexual Harassment," HRSouthwest Human Resources Conference and Exposition, October 2006
- Presenter, "Who Hired Him?: A Strategic Approach To Hiring," HRSouthwest Human Resources Conference and Exposition, October 2005
- Presenter, "Without A Net: Navigating The Discipline and Termination Tightrope," HRSouthwest Human Resources Conference and Exposition, October 2003

## Kimberly F. Williams

Partner

Kimberly Williams focuses her practice exclusively on labor and employment law. She has experience representing employers in employment litigation matters involving claims of discrimination, harassment, retaliation, and wrongful discharge. Kimberly also represents clients in drafting and enforcing non-competition, non-solicitation, and non-disclosure agreements and in litigation concerning claims of unfair competition, misappropriation of trade secrets, and breach of contract. She also has experience representing employers before various state and federal administrative agencies, including the Texas Workforce Commission, the Equal Employment Opportunity Commission, the Department of Labor, the Office of Administrative Law Judges and the Administrative Review Board. Kimberly provides employment counseling and advice to clients on a variety of matters, including hiring, firing, and other disciplinary action, wage and hour issues, and compliance with federal and state employment-related laws and regulations.



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8589  
Direct Fax: 214-756-8589  
[kwilliams@lockelord.com](mailto:kwilliams@lockelord.com)

### Practices

Labor & Employment  
Employment Counseling & Compliance  
Employment Litigation  
Employment Class Actions (Title VII, WARN, FLSA Collective Actions)  
NLRB & Unions  
Unfair Competition / Trade Secrets / Non-Competition Agreements  
Wage & Hour Compliance & Litigation (Overtime Collective/Class Actions)

### Industry Groups

Educational Institutions

### Education

J.D., with honors, Baylor University School of Law, 2005  
Associate Editor, *Baylor Law Review*

B.A., The University of Texas at Austin, 2002

### Bar Admissions

Texas, 2005

### Court Admissions

U.S. Court of Appeals for the Fifth Circuit  
U.S. District Court for the Eastern District of Texas  
U.S. District Court for the Southern District of Texas

## Representative Experience

- Defended individual and collective action claims for unpaid overtime and misclassification of employees in numerous industries, including food services and oilfield services
- Defended various clients in U.S. Department of Labor FLSA and FMLA investigations
- Counseled numerous clients on wage and hour compliance and conducted internal wage and hour audits involving independent contractor issues, exempt vs. non-exempt classifications, travel time, work from home, pay-related policies, flexible workweek method of payment, and other minimum wage and overtime issues
- Defended employers in a variety of industries before the U.S. Department of Labor, the Office of Administrative Law Judges and the Administrative Review Board involving claims for whistleblower retaliation under the Sarbanes-Oxley Act
- Represented restaurant in connection with FLSA collective action
- Represented various employers, including insurance, consulting, manufacturing, and construction companies, in cases involving claims of age, sex, race, and disability discrimination, harassment, retaliation, and various state law claims
- Defended university in breach of contract, defamation, and tortious interference case

- Represented employers in numerous cases involving violations of the Fair Labor Standards Act and the Texas Payday Act
- Represented numerous employers in EEOC proceedings and obtained "no cause" determinations
- Represented employers in unemployment compensation hearings with the Texas Workforce Commission
- Represented both employers and employees in cases involving covenants not to compete, misappropriation of trade secrets, and unfair competition
- Counseled clients regarding enforceability of non-competition, non-solicitation, and non-disclosure agreements
- Counseled clients regarding compliance with the Family and Medical Leave Act and the Americans with Disabilities Act
- Conducted human resource audits for employers' compliance with wage and hour and immigration laws
- Conducted internal investigations of harassment and discrimination claims
- Drafted and reviewed numerous employee handbooks and employment policies
- Reviewed and analyzed various employment agreements in connection with due diligence
- Drafted executive employment agreements and executive severance agreements for companies in a variety of industries
- Advised clients regarding compliance with the Service Contract Act and EO 11246

U.S. District Court for the Northern District of Texas  
U.S. District Court for the Western District of Texas  
U.S. District Court for the District of Colorado

## Professional Affiliations and Awards

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- Named, Rising Star by *Super Lawyers* magazine (2014-2016)
- Member, State Bar of Texas
- Member, Dallas Bar Association
- Member, Dallas Association of Young Lawyers
- Member, Texas Young Lawyers Association
- Member, Dallas Human Resource Management Association
- Member, Society for Human Resource Management

## Publications & Presentations

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- Co-Author, "Locke Lord QuickStudy: Supreme Court — Mortgage-Loan Officers Not Exempt from Overtime Pay," Locke Lord, March 12, 2015

- Presenter, "Unfriendly Competition: Current Issues with Non-Competition and Other Restrictive Covenant Agreements," Locke Lord LLP 2014 Employer Update Breakfast Briefing, February 6, 2014
- Presenter, "Effective Strategies for Hiring, Discipline and Termination," HR Southwest Conference, October 21, 2013
- Author, "Locke Lord QuickStudy: D.C. Circuit Vacates DOL Administrative Interpretation Regarding Loan Officer Exempt Status," July 9, 2013
- Presenter, "Compliance with Title VII and the Americans with Disabilities Act," Employment Training for client, May 1, 2012
- Presenter, "How to Handle Your Employee Handbook in 2012," Panhandle Human Resources Association, April 3, 2012
- Co-Author, "Locke Lord QuickStudy: Requiring Job Applicants to Disclose Facebook Passwords, is it Worth it?," March 28, 2012

## Community Involvement

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- Board Member, Hope International
- Volunteer, Foundation for the Education of Young Women
- Volunteer, Esperanza "Hope" Medrano Elementary School

## Robin G. Shaughnessy

Senior Counsel

Robin Shaughnessy represents employers in state and federal court cases involving employment discrimination, retaliation, wrongful discharge, breach of contract, employment torts and unfair competition. In one case, Robin defended a large credit card company in a discrimination and retaliation lawsuit under Title VII and the Texas Commission on Human Rights Act. She has extensive experience litigating and advising clients in matters involving a variety of employment issues, including Title VII, ADEA, ADA, FLSA, WARN and OFCCP matters. In addition, Robin has prepared numerous affirmative action plans for clients with government contracts in compliance with Executive Order 11246. She also advises clients regarding affirmative action issues and EEO-1 reports.



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8629  
Direct Fax: 214-740-8800  
[rshaughnessy@lockelord.com](mailto:rshaughnessy@lockelord.com)

### Representative Experience

- Defend large credit card company in a race, national origin and retaliation lawsuit under Title VII and the TCHRA.
- Represent nationwide janitorial and building maintenance company in obtaining temporary restraining order against former employee and his new employer for misappropriation of confidential information and breach of his non-competition and non-solicitation agreements.
- Represent national pet products manufacturer in defending against a threatened temporary injunction related to the hiring of an executive.
- Represent employers in mediations before the Equal Employment Opportunity Commission and the Texas Commission on Human Rights.
- Represent employers in arbitrations related to employment and labor disputes.
- Prepare numerous affirmative action plans for clients with government contracts in compliance with Executive Order 11246 and advise clients regarding affirmative action issues, EEO surveys and EEO-1 reports.
- Prepare briefs in support of company position in connection with union arbitrations of employee grievances.
- Prepare and review employment agreements, employee handbooks separation agreements and releases for numerous clients.

#### Practices

Labor & Employment  
Employment Counseling & Compliance  
Employment Litigation  
Employment Class Actions (Title VII, WARN, FLSA Collective Actions)  
NLRB & Unions  
OSHA  
Unfair Competition / Trade Secrets / Non-Competition Agreements  
Wage & Hour Compliance & Litigation (Overtime Collective/Class Actions)

#### Education

J.D., with honors, The University of Texas School of Law, 1999

B.S., *magna cum laude*, Biology and Environmental Studies, Baylor University, 1996  
Phi Beta Kappa

#### Bar Admissions

Texas, 1999

#### Court Admissions

U.S. District Court for the Eastern District of Texas  
U.S. District Court for the Southern District of Texas  
U.S. District Court for the Northern District of Texas  
U.S. Court of Appeals for the Fifth Circuit, 2003

### Professional Affiliations and Awards

- Member, State Bar of Texas
- Member, Dallas Bar Association



- Named, *The Best Lawyers in America*, Employment Law - Management (2015-2016)
- Named, Rising Star, *Texas Monthly Magazine* (Employment Law) (2011-2014)

## Publications & Presentations

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- Presenter, "Avoiding Handbook Headaches: Hot Topics to Watch to Ensure Compliance," Locke Lord LLP 2014 Employer Update Breakfast Briefing, February 6, 2014
- Author, "Locke Lord QuickStudy: Texas Enacts Uniform Trade Secrets Act," August 16, 2013

## Community Involvement

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- Member, Board of Directors, Animal Rescue of Texas, Inc.



## Sean Kilian

Associate

Sean Kilian is an associate in the Dallas office of Locke Lord where he focuses his practice on labor and employment law. He has experience in Title VII, FMLA, ADA, FLSA, wrongful termination, privacy, breach of contract claims, workers' compensation retaliation, and wage and hour claims. Sean regularly assists employers in developing and drafting employment policies and handbooks, and drafts and negotiates employment agreements and separation agreements.



2200 Ross Avenue  
Suite 2800  
Dallas, Texas 75201  
Direct Dial: 214-740-8560  
Direct Fax: 214-756-8227  
[skilian@lockelord.com](mailto:skilian@lockelord.com)

### Practices

Labor & Employment  
Employment Class Actions (Title VII, WARN, FLSA Collective Actions)  
Employment Litigation  
OSHA  
Wage & Hour Compliance & Litigation (Overtime Collective/Class Actions)  
Employment Counseling & Compliance  
Unfair Competition / Trade Secrets / Non-Competition Agreements  
Privacy & Cybersecurity

### Education

J.D., with honors, University of Tulsa  
College of Law, 2012  
Tulsa Law Review

B.A., The University of Texas at Austin, 2005

### Bar Admissions

Oklahoma, 2012  
Texas, 2015

### Court Admissions

U.S. Court of Appeals for the Tenth Circuit  
U.S. District Court for the Northern District of Oklahoma  
U.S. District Court for the Western District of Oklahoma  
U.S. District Court for the Northern District of Texas

## Representative Experience

- Represent oilfield services company in connection with wrongful termination action
- Represent oil field services company in connection with FLSA collective action
- Represent healthcare technology company in connection with claim for tortious interference with non-competition agreement
- Represent private school in connection with FLSA action
- Prepare post-arbitration brief in support of company position in union arbitration of employee grievance

## Professional History

- Associate, Locke Lord LLP
- Associate, Strecker & Associates, P.C., Tulsa, Okla. (2012-2014)

## Publications & Presentations

- Speaker, "The Employer's Guide to Workplace Privacy," 2016 Employer Update Breakfast Briefing, February 25, 2016
- Author, "Executive Action: Obama Administration Budgets for Cybersecurity," Privacy & Cybersecurity Newsletter, February 23, 2016
- Author, "Development of Cybersecurity Information Sharing Standards," November 13, 2015
- "Locke Lord Privacy White Paper, 2015 Edition – "Everyone's Nightmare: Privacy and Data Breach Risks", August 11, 2015
- Author, "Locke Lord QuickStudy: DOL Continues Misclassification Push, Says "Most Workers Are Employees, Not Contractors", Locke Lord LLP, July 30, 2015

- Author, "Retail Tracking Update: Privacy Guidance Following Nomi Technologies," July 28, 2015
- Author, "Drone Privacy Implications Following the FAA's Proposed Regulations," Locke Lord LLP, May 11, 2015
- Co-Author, "Locke Lord QuickStudy: Supreme Court — Mortgage-Loan Officers Not Exempt from Overtime Pay," Locke Lord, March 12, 2015
- Speaker, "Independent Contractor v. Employee: Why It Matters from an Employment Lawyer's Perspective," The 61st Annual Texas CPA Tax Institute (Richardson, Texas and San Antonio, Texas), November 20-21, 2014

## Lori Fixley Winland

Associate

Lori Winland is an associate practicing administrative and regulatory law and litigation, with a particular emphasis on transportation and toll road development. Lori frequently advises regional mobility authorities and other public entities on procurement, Public Information Act, Open Meetings Act and ethics issues. She has substantial experience representing public and private entities in open records disputes before the Attorney General of Texas. In addition, Lori has been involved in a wide variety of administrative litigation matters.



600 Congress Avenue  
Suite 2200  
Austin, Texas 78701  
Direct Dial: 512-305-4718  
Direct Fax: 512-391-4718  
[lwinland@lockelord.com](mailto:lwinland@lockelord.com)

### Practices

Business Litigation & Dispute Resolution  
Public Law, Governmental & Public Affairs  
Administrative & Regulatory Transportation

### Education

J.D., Yale Law School, 2003  
Yale Law Journal

B.S., *summa cum laude*, Biology and Religion, Duke University, 1998  
Phi Beta Kappa

### Bar Admissions

Texas, 2005

## Professional History

- Judicial Clerk for The Honorable Robert H. Henry, United States Court of Appeals for the Tenth Circuit, Oklahoma City, Oklahoma (2003 - 2004)
- Truman Fellow, United States Department of Housing and Urban Development, Washington, D.C. (1999 - 2000)

## Professional Affiliations and Awards

- Member, State Bar of Texas
- Member, Austin Young Lawyers Association
- Member, Austin Bar Association

## Publications & Presentations

- Co-Author, "Texas Transportation Legislation: Overview of the 84th Legislative Session," July 2015
- "Texas Transportation Legislation: Overview of the 83rd Regular Legislative Session and First, Second and Third Special Sessions," August 19, 2013
- "At Home in Austin," February 16, 2013
- "Texas Transportation Legislation: Overview of the 82nd Regular Legislative Session," Locke Lord, June 11, 2011

# Appendix B – Schedule of Cases

Locke  
Lord<sup>LLP</sup>



PROPOSAL OF  
**ICE MILLER LLP**  
IN RESPONSE TO  
DALLAS POLICE AND FIRE PENSION SYSTEM  
REQUEST FOR QUALIFICATION  
FOR  
**LEGAL SERVICES**

SUBMITTED BY:

ICE MILLER LLP  
ONE AMERICAN SQUARE, SUITE 2900  
INDIANAPOLIS, INDIANA 46282-0200  
(317) 236-2100

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Ice Miller LLP Chicago Cleveland Columbus DuPage County, Ill. Indianapolis New York Washington, D.C. [icemiller.com](http://icemiller.com)

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April 28, 2016

WRITER'S DIRECT NUMBER: 317-236-2413  
direct fax: 317-592-4616  
internet: [braitman@icemiller.com](mailto:braitman@icemiller.com)

WRITER'S DIRECT NUMBER: 317-236-2133  
direct fax: 317-592-4668  
internet: [robert.gauss@icemiller.com](mailto:robert.gauss@icemiller.com)

**Overnight Delivery**

Mr. Joshua Mond  
Dallas Police & Fire Pension System  
4100 Harry Hines Blvd, Suite 100  
Dallas, TX 75219

***RE: Dallas Police and Fire Pension System Request for Qualifications for Legal Services***

Dear Mr. Mond:

We are pleased to provide you with the response of Ice Miller LLP ("Ice Miller" or "Firm") to the Dallas Police and Fire Pension System ("DPFP") Request for Qualifications ("RFQ") for Legal Services. Pursuant to the terms of the RFQ, we have enclosed five (5) bound hard copies and one (1) electronic version on a flash drive of our proposal and related information in a sealed package with the outside of the package correctly identified with the following notation: "RFQ – Legal Services."

The specific numbered categories of legal services in Section III of the RFQ for which Ice Miller's response seeks consideration are as follows:

1. Interpretation and advice regarding DPFP's enabling statute and plan, governance documents and relevant Texas and federal statutes.
3. Federal tax advice regarding DPFP's plan and benefit structure.
4. Interpretation, advice, and implementation assistance with regard to: (a) laws and legal principles related to fiduciaries, (b) issues of professional liability and fiduciary liability and related insurance issues, and (c) issues regarding government officials and issues of government immunities.
6. Litigation (excluding securities monitoring and litigation).

As a partner of Ice Miller, either of the undersigned may be contacted with respect to this response and are authorized to discuss this proposal with DPFP, to bind Ice Miller to the terms of such discussions, and to enter into a written agreement with DPFP. Both of the undersigned are proposed to be the principal client contacts. Our contact information is as follows:

Mary Beth Braitman, partner  
Ice Miller LLP  
One American Square  
Suite 2900  
Indianapolis, IN 46282  
Phone: (317) 236-2413  
Fax: (317) 592-4616  
E-mail: [braitman@icemiller.com](mailto:braitman@icemiller.com)

Robert L. Gauss, partner  
Ice Miller LLP  
One American Square  
Suite 2900  
Indianapolis, IN 46282  
Phone: (317) 236-2133  
Fax: (317) 592-4668  
E-mail: [robert.gauss@icemiller.com](mailto:robert.gauss@icemiller.com)

Our response is a firm and irrevocable offer.

Our Executive Summary is part of our cover letter, but for ease in separation from our response so to be suitable for distribution to DPF Board and Committee Members, we have included our Executive Summary directly after the signature lines.

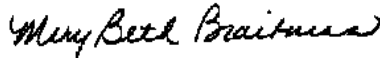
Finally, each of the numbered sections set forth in this response addresses a particular item listed in the RFQ.

Additional information with respect to Ice Miller LLP and our attorneys may be obtained by visiting our web site at [www.icemiller.com](http://www.icemiller.com).

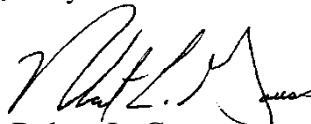
We thank you in advance for your consideration of our response. We would be pleased to participate in an interview regarding the specifics of this assignment. The team we have assembled has extensive experience in acting as tax counsel for governmental pension systems. Ice Miller has the ability and the desire to meet the requirements of the RFQ. We would be honored to be selected to work with DPF for all or any of the specific numbered categories of legal services in Section III of the RFQ as listed above.

Very truly yours,

ICE MILLER LLP



Mary Beth Braitman



Robert L. Gauss

MBB/RLG:GW  
Enclosures



## EXECUTIVE SUMMARY - ICE MILLER LLP

This proposal is submitted in response to the Dallas Police and Fire Pension System's ("DPFP") Request for Qualifications ("RFQ") for Legal Services. The specific numbered categories of legal services in Section III of the RFQ for which Ice Miller LLP's ("Ice Miller") response seeks consideration are as follows: (1) Interpretation and advice regarding DPFP's enabling statute and plan, governance documents and relevant Texas and federal statutes; (2) Federal tax advice regarding DPFP's plan and benefit structure; (3) Interpretation, advice, and implementation assistance with regard to: (a) laws and legal principles related to fiduciaries, (b) issues of professional liability and fiduciary liability and related insurance issues, and (c) issues regarding government officials and issues of government immunities; and (4) Litigation (excluding securities monitoring and litigation). As demonstrated throughout our proposal and highlighted in this Executive Summary, Ice Miller is fully capable of providing the specific numbered categories of legal services in Section III of the RFQ as listed above.

Ice Miller is located in Indianapolis, Indiana; Chicago, Illinois; DuPage County, Illinois; New York, New York; Columbus, Ohio; Cleveland, Ohio; and Washington, D.C. Ice Miller was founded in 1910 with a commitment to providing exceptional, personal service and valued counsel to our clients; this culture continues to the present. We believe that Ice Miller brings a number of unique capabilities to DPFP as described throughout our proposal. Ice Miller is a full-service law firm with a national reputation in many of its practice areas, which include Employee Benefits, Private Equity and Venture Services, Real Estate, Tax, Labor and Employment, Business Litigation, Public Affairs, Municipal Finance, and Health Law. We represent a diverse group of public plan clients across the country across a wide range of these practice areas.

We offer one of the largest and most experienced group of attorneys in the country in the field of employee benefits. These attorneys, together with our excellent professional staff, possess a vast array of experience in all phases of employee benefits, with a particular focus on service in the public pension fund area. We work with governmental, tax-exempt and private sector employers, including public pension systems, municipal units, states, industrial and manufacturing concerns, higher educational institutions and systems, banks, school corporations, hospitals and other service industries, and high tech ventures. Most importantly for this response, our attorneys have significant experience representing governmental entities and governmental plans, which we detail in the attached information. There are a total of eight partners in Ice Miller's Employee Benefits group, one senior counsel, two of counsel, four associates, one actuary and three paralegals. We are also one of the most experienced employee benefits groups in the country – eight of our professionals have worked in the employee benefits arena for more than 20 years each. There are eight attorneys, one paralegal and an actuary in Ice Miller's Employee Benefits Group whose practice focuses on federal tax and compliance specific to governmental defined benefit plans, deferred compensation (457(b)) programs, 403(b) programs and governmental defined contribution plans. Historically, Ice Miller has offered federal tax services since 1920. We also have served public plans in tax, benefits, and fiduciary needs for more than 30 years.

Ice Miller provides guidance in the design, formation and amendment of all types of governmental employee benefit plans, including defined benefit plans, defined contribution plans, hybrid plans, tax-sheltered annuities, eligible and ineligible 457 deferred compensation

programs, flexible benefit plans, and a range of health and welfare benefit plans (including compliance with the extensive provisions of the Affordable Care Act). Ice Miller works with governmental clients in more than 30 states on compliance issues involving Internal Revenue Code ("IRC") §401(a). For most of these clients we have performed a complete compliance review—working through each of the applicable IRC provisions and the plan document/statute/regulations to confirm compliance with the IRS, Treasury Regulations, and IRS guidance. We have done extensive research and advised public pension funds and government officials on issues such as retiree reemployment, normal retirement age, vesting, benefit changes, board authority, and various statutory construction matters. Of course, in the process of considering and implementing any amendments to a plan, it is critical to focus on achieving and/or maintaining the tax qualified status of a plan, along with consideration of the state's laws which govern the plan. Where appropriate, legislative, regulatory or procedural changes are proposed to rectify problem areas. In developing these changes, Ice Miller has briefed boards of trustees, local officials, state office holders, legislative staff, and testified before legislative committees. Ice Miller's Employee Benefits Group has provided guidance on trust and fiduciary issues for a number of our clients for many years. This work includes counseling with regard to the establishment and maintenance of trust documents, advising plan trustees and other fiduciaries as to their responsibilities and potential liabilities, representing clients before federal agencies (e.g., IRS and DOL), and representing clients in disputes and litigation. Ice Miller provides dispute resolution and representation in litigation for all types of alleged violations relating to benefit plans and benefit entitlements. These include alleged breaches of fiduciary responsibility, prohibited transactions, and claimed defects in plan administration. On such types of matters, we have represented governmental public funds in very significant litigation.

Ice Miller has made a unique commitment to public pension law. This commitment is evidenced in a number of ways. One way is the number of people we have working on the government plan "team." The second is our significant commitment to national associations serving governmental plan interests, including the National Conference on Public Employee Retirement Systems ("NCPERS"), the American Benefits Council, the National Association of Public Pension Attorneys ("NAPPA"), the National Association of Government Defined Contribution Administrators ("NAGDCA") and the National Association of State Retirement Administrators ("NASRA"). The third is our publication of articles and other resource materials for governmental plans. For instance, with regard to the Affordable Care Act, we provided a detailed summary to our benefits clients within days of the President's signature, and we continue to provide periodic updates. Additionally, Ice Miller prepares a semi-annual inventory of IRS rulings and other guidance focused on public plans. The goal of these publications is to provide public pension plan administrators and their staffs with the tools to attack the complex problems they face in interpreting, applying, and complying with the Internal Revenue Code ("IRC") and other applicable federal laws. We also recently provided our clients with a Guidebook for Qualified Governmental Retirement Plans, a 150 page publication covering federal tax and compliance issues for qualified, governmental plans, updated to include the most recent IRC and U.S. Treasury guidance.

**PROPOSAL OF ICE MILLER LLP IN RESPONSE TO  
DALLAS POLICE AND FIRE PENSION SYSTEM  
REQUEST FOR QUALIFICATIONS FOR LEGAL SERVICES**

**IV. Required Response.**

**A. Required Response Attachments and Enclosures.**

**RFQ responses must include the following information:**

- 1. Cover Letter.** The response must be accompanied by a cover letter, which will be considered an important part of the response, and which shall be signed by at least one individual who is authorized to bind the respondent contractually. This cover letter must include: (a) an executive summary of the respondent's proposal; (b) the respondent's name and address; (c) name, phone number, and email address of the person proposed to be the principal client contact; (d) the title or position which the signer of the cover letter holds in the firm; (e) a statement to the effect that the response is a firm and irrevocable offer of the respondent, and; (f) a sentence indicating the specific numbered categories of legal services in Section III for which the response seeks consideration. The executive summary shall not be more than 2 pages single-spaced in length, and shall be suitable for distribution to DFPF Board and Committee Members; please be sure that your executive summary identifies the relevant connections between 1) the description of your firm and its personnel provided in the executive summary, and 2) the categories of legal services for which your response requests consideration.

Our cover letter, which precedes our proposal, contains all of the required information as set forth in Section V.A.1 of the RFQ. Our Executive Summary is part of our cover letter, but for ease in separation from our response so to be suitable for distribution to DFPF Board and Committee Members, we have included our Executive Summary directly after the signature lines.

- 2. Law Firm Information.**

- a) **Qualifications and Experience.** All responses must include a statement of minimum qualifications, and any additional experience and expertise. The respondent should also provide a description and history of the firm. The response should clearly indicate the categories of legal services identified in this RFQ for which it seeks to be selected. The response also should specifically indicate the firm's current and historical expertise in the categories of legal services identified in the RFQ for which it seeks to be selected.

### Statement of Minimum Qualification

As demonstrated throughout our proposal and highlighted in the Executive Summary, Ice Miller LLP ("Ice Miller" or "Firm") is fully capable of providing the following specific numbered categories of legal services in Section III of the RFQ for which Ice Miller LLP's ("Ice Miller") response seeks consideration: (1) Interpretation and advice regarding DFPF's enabling statute and plan, governance documents and relevant Texas and federal statutes; (3) Federal tax advice regarding DFPF's plan and benefit structure; (4) Interpretation, advice, and implementation assistance with regard to: (a) laws and legal principles related to fiduciaries, (b) issues of professional liability and fiduciary liability and related insurance issues, and (c) issues regarding government officials and issues of government immunities; and (6) Litigation (excluding securities monitoring and litigation).

### Firm Information

Ice Miller is a full-service law firm located in Indianapolis, Indiana; Chicago, Illinois; DuPage County, Illinois; New York, New York; Columbus, Ohio; Cleveland, Ohio; and Washington, D.C. Ice Miller was founded in 1910 with a commitment to providing exceptional, personal service and valued counsel to our clients; this culture continues to the present. Ice Miller is fortunate to have a nationally recognized reputation in a number of its practice areas, including employee benefits and alternative investments. The Firm has 191 partners, 65 associates, 14 senior counsel, 27 of counsel, 13 practice group specialists, 36 paralegals, and 223 staff members. Ice Miller's historic and recognized focus areas have included employee benefits, municipal finance and government entity representation. Ice Miller has offered federal tax services since 1920. We represent a diverse group of public plan clients across the country in a wide range of areas.

### Representative Public Fund Clients for Employee Benefits Group

See Appendix B of this proposal for the representative listing of systems for whom we currently provide services as tax and employee benefits counsel.

### Experience Providing the Services Requested under the Scope of Services

To demonstrate our ability to perform the specific numbered categories of legal services in Section III of the RFQ for which Ice Miller's response seeks consideration, we have set forth under this Section IV.A.2.a. of our proposal each such item and explained our experience in performing these services.

**1. Interpretation and advice regarding DFPF's enabling statute and plan, governance documents and relevant Texas and federal statutes.**

### Overview of Ice Miller's Employee Benefits Group

Ice Miller brings a number of unique capabilities that we believe will benefit DFPF. In particular, there are a total of eight partners in Ice Miller's Employee Benefits group, one senior counsel, two of counsel, four associates, one actuary and three paralegals. We have served public plans in tax, benefits, and fiduciary needs for more than 30 years. We are also one of the

most experienced employee benefits groups in the country – eight of our professionals have worked in the employee benefits arena for more than 20 years each. There are eight attorneys, one paralegal and an actuary in Ice Miller's Employee Benefits Group whose practice focuses on federal tax and compliance specific to governmental defined benefit plans, deferred compensation (457(b)) programs, 403(b) programs and governmental defined contribution plans. We work with governmental, tax-exempt and private sector employers, including public pension systems, municipal units, states, industrial and manufacturing concerns, higher educational institutions and systems, school corporations, hospitals and other service industries, and high tech ventures. We also work on plans of differing size – from several hundred to several hundreds of thousands of participants. We believe this range of experience enhances our performance for governmental plans. For example, there are occasions when we draw on experiences from our private sector clients to provide a workable solution for a governmental plan, even though that approach would not be required of the governmental plan.

Our dedication to maintaining and growing a wide range of more discrete practice areas enables us to identify options and offer the legal assistance needed to address clients' needs creatively.

As to state statutory requirements, we generally work closely with in-house counsel. However, Mary Beth Braitman is admitted to practice law in Texas (since 2010), and is available to respond to state law questions that may arise in this engagement.

With regard to our knowledge of Texas statutes, we are familiar with certain portions of the Texas Government Code, the Texas Education Code, and the Texas Administrative Code due to the employee benefits and tax counsel services that we provide to the Employees Retirement System of Texas and the Teacher Retirement System of Texas.

#### Governmental Plan Experience

Ice Miller provides guidance in the design, formation and amendment of all types of governmental employee benefit plans, including defined benefit plans, defined contribution plans, hybrid plans, tax-sheltered annuities, eligible and ineligible deferred compensation programs, flexible benefit plans, and a range of health and welfare benefit plans (including compliance with the extensive provisions of the Affordable Care Act). Of course, in the process of considering and implementing any amendments to a plan, it is critical to focus on achieving and/or maintaining the tax qualified status of the plan(s) under the applicable sections of the IRC, the applicable Treasury Regulations and with consideration of the state and/or local laws which govern the plan. In order to secure the benefits of tax qualification, Ice Miller has been involved in section-by-section analysis of the pension laws of various states and municipalities in order to demonstrate to the IRS how these laws meet the IRC, Treasury Regulations, and the IRS requirements for tax qualification. Where appropriate, legislative, regulatory or procedural changes are proposed to rectify problem areas. In developing these changes, Ice Miller has briefed boards of trustees, local officials, state office holders, legislative staff and testified before legislative committees. As tax counsel, we also have advised clients with respect to tax reporting and federal withholding, FICA coverage and unrelated business income tax. We have provided assistance and advice on employee benefit matters generally, including health care programs, HSAs, HRAs, 125 plans, domestic partner coverage and other federal laws including the

Affordable Care Act, ADEA, ADA, FMLA and HIPAA. To assist our clients, we may call on other lawyers in our group who have particular experience in a specific type of plan design, fiduciary standards, administration or employee benefits litigation.

Our extensive experience with and understanding of governmental plan regulation affords us the ability to accurately assess when to be proactive and when to maintain current practices. We believe this experience and understanding have stood our clients in good stead. We are cognizant of the necessity of crafting qualification provisions that are sensitive to the needs of members, the budgetary constraints of the contributing employers, and the expectations of the public.

Ice Miller works with governmental clients in more than 30 states on compliance issues involving IRC Section 401(a). For most of these clients we have performed a complete compliance review – working through each of the applicable subsections of IRC Section 401(a).

There are also a number of special tax focus items on which we regularly assist clients. As one example of a focus area, Ice Miller has extensive experience working with governmental plans on compliance with IRC Section 415. We generally begin the process with the preparation and discussion of a briefing paper on the legal requirements of IRC Section 415 and their impact on the plan. This review often includes consultation with the plan's actuary. If necessary, the review may address plan language changes and also operational changes. Because Ice Miller is experienced dealing with corrections that may be needed, including IRS filings, we also have worked with many governmental employers and plans in the establishment and administration of qualified excess benefit arrangements ("QEBA's") to provide benefits in excess of the benefits that can be paid from a qualified plan under the applicable IRC Section 415 limit.

A second example of a special tax focus area is advising clients about special taxation rules applicable to governmental plans. For example, some duty-related death and disability statutes may qualify as non-taxable benefits under unique rules applicable to governmental plans and/or certain governmental employees. We also have completed extensive projects on proper reporting of basis recovery methods. We have successfully secured favorable tax treatment in rulings from the IRS for many clients, either based on existing statutes or restructured benefit statutes. We have also assisted retirement systems in analyzing unrelated business income tax issues with respect to their private equity, venture capital and real estate holdings.

#### Plan Administration

Ice Miller gets into the nuts and bolts of benefit administration under the IRC. For instance, we have worked with retirement systems on operational issues involving (for example) rollovers and reemployment of retirees. We also have worked extensively on Form 1099-R reporting, including reviewing rules for calculation of taxable and non-taxable components of benefits and the procedural requirements for submitting the Form 1099-Rs to the IRS. Similarly, we also have assisted clients in complying with Forms 1042-S and 1042 with regard to reporting for nonresident aliens.

We have prepared in-house screening mechanisms for 415 (limit) testing for several systems, and we have worked with systems on required minimum distribution (401(a)(9))

compliance, as well as submitting comments on the regulations as they were developed. Required minimum distribution ("RMD") compliance is one very important example of an issue for governmental retirement systems, because of the IRC Section 401(a)(9) regulations that were released in 2002 and 2004, and the final (2009) regulations regarding governmental plan compliance.

After the passage of the Pension Protection Act of 2006 ("PPA"), Ice Miller addressed a number of topics including tax reporting and provisions improving portability, including the new rollover provisions and the improved permissive service credit options. We have advised clients with regard to the implementation of the HEART Act – providing benefits to employees called up to active military duty.

We have developed "due diligence" questionnaires for clients that are designed to be completed by benefits staff and used to uncover latent administrative problems before they become the subject of an IRS investigation. We have significant experience collaborating with our clients in evaluating and seeking satisfactory resolutions with respect to areas of non-compliance.

Additionally, Ice Miller has provided substantial consulting and advising with regard to issues raised by public plans and Social Security. The relationship between these entities often complex, but we have developed relationships at both IRS and Social Security offices which has allowed us to provide clients with speedy and accurate advice to many specific questions.

#### Internal Revenue Service Filings

Ice Miller attorneys regularly represent governmental plan clients before the IRS, having successfully prepared and submitted to the IRS numerous requests for private letter rulings on behalf of public pension fund clients. Ice Miller attorneys have obtained numerous private letter rulings on a wide range of tax issues, including picked-up contributions, QEBAs, taxation of death and disability benefits, 457(b) deferred compensation plans, asset transfers, and lump sum taxation treatment, as reflected in Appendix C. Ice Miller also has secured many determination letters over the last ten years for statewide governmental plans clients and for large county and city plans. Ice Miller filed approximately 263 determination letter requests during the recent Cycle C-2 (February 1, 2013-January 31, 2014). Additionally, we submitted over 100 determination letter requests for governmental plan clients during this current Cycle E-2 (February 1, 2015-January 31, 2016). As part of the process of securing determination letters, and private letter rulings, we have participated in a number of conferences of right with the IRS. In addition, we secured IRS volume submitter plan approvals for three different programs; these provide IRS pre-approved plans for numerous governmental employers.

We note that, under IRS Announcement 2015-19, the IRS has substantially limited the ability to obtain updated determination letters for qualified plans. Ice Miller submitted a comment letter to the IRS regarding the impact this procedural change will have on compliance efforts for the governmental retirement plan community. It will be critically important for all governmental plans to monitor federal law changes to ensure timely amendments and operational changes are completed. We think Ice Miller is well situated to work with governmental plans in this changed compliance environment.

Ice Miller also has extensive experience in guiding clients through the voluntary correction program (VCP), as well as the self-correction program (SCP), which are part of the IRS Employee Plans Compliance Resolution System ("EPCRS") in Revenue Procedure 2013-12. Over the course of the past seven years, Ice Miller has made VCP filings dealing with operational compliance in the following areas - 415 compliance (corrections related to excess benefits), 401(a)(9) compliance (corrections regarding required minimum distributions and waiver of excise taxes on participants), 401(a)(17) corrections (involving maximum compensation), 401(a)(31) corrections (involving rollovers and the special tax notice), 401(a) corrections (involving improper use of plan assets), loan corrections and other corrections involving failures to comply with the plan document and other operational failures. We also have worked with the IRS on corrections and closing agreements involving taxation and reporting of benefits.

### Foreign Tax Issues

With regard to international tax issues, we have worked with public pension systems on the proper tax reporting of benefits payable to non-resident alien retirees and beneficiaries through the analysis of various tax treaties. We also work with clients on securing necessary forms for foreign tax recapture claims and addressing problems that arise with respect to those claims. Most recently, we have worked on Form W-9 inquiries and foreign exemptions. In addition, Ice Miller has an international law practice to address other issues that may arise with respect to international investments and international employees.

### GASB Experience

One of the newer areas of work includes questions arising under GASB. We have worked on special funding situations, state reporting and disclosure, and a number of other questions arising as GASB 67 and 68, as well as GASB 43 and 45. Among others, we have advised the following systems with regard to compliance with the new standards under GASB 67 and 68: Indiana Public Retirement System; Kansas Public Employees' Retirement System; Kentucky Teachers' Retirement System; Commonwealth of Massachusetts; Massachusetts Teachers' Retirement System; and Oregon Public Employees' Retirement System.

### DROPs

Ice Miller attorneys have also participated in the design and implementation of deferred retirement option programs ("DROPs") for Los Angeles Fire and Police Pension System and a number of other plans, including the 1977 Police Officers and Firefighters Pension and Disability Fund, the Indiana State Police Pension Trust, the Ohio Police and Fire Pension Fund, the Michigan Municipal Employees' Retirement System, and the Lincoln, Nebraska plan. These DROP programs have been utilized across the country as a means of providing a lump sum payment in conjunction with the beginning of retirement. However, the complexities of a DROP are not always apparent. Because of the importance of maintaining qualified status and correctly reporting tax basis recovery, Ice Miller works with plan administrators to assure that implementation of the DROP does not negatively affect a plan's qualified status or cause problems in the plan's tax reporting practices.



### Governmental Plan Status Regulation

We were involved in preparing client comments with regard to the IRS draft proposed regulations in the definition of governmental plan under IRC Section 414(d) (the "ANPRM") and on the normal retirement age regulation, and we attended and testified at every hearing on the ANPRM.

### Spousal Rights

Within the past few years, domestic partner and same-sex spouse benefit coverage has become increasingly more complicated. Providing health and welfare benefits to same-sex domestic partners has tax consequences that both employers and employees need to understand. We have assisted many clients, including DFPF, work through those tax issues and provide effective communication to employees who enroll their domestic partners in an employer's benefit plans.

Most recently, we have advised clients on the effects of the United States Supreme Court's decision in *United States v. Windsor* in which the Court struck down Section 3 of the Defense of Marriage Act, as well as the June 26, 2015 United States Supreme Court decision of *Obergefell v. Hodges*, which struck down state laws banning same-sex marriage. These decisions have sparked several rounds of guidance from the IRS and the Department of Labor and have important implications for qualified retirement plans, health plans, flexible spending accounts, as well as other benefits provided by governmental employers. In this quickly evolving area in which the federal government and an increasing number of states recognize same-sex marriages, we have been at the forefront in advising our governmental clients on whether coverage or benefits for same-sex spouses are mandatory, the tax effects of providing coverage and the retroactive requirements of the Supreme Court's opinions.

### Contracts

The Employee Benefits Group works with our clients in reviewing, drafting and negotiating contracts with all types of vendors providing services to benefit plans, plan administrators, and plan sponsors, including custodians, investment managers, consultants, third party administrators, and financial service companies. Our involvement in contractual matters for our benefit clients can range from comprehensive review of vendor contracts to ensure legal compliance, to handling negotiations for contractual modifications with service providers, to drafting agreements to cover unique situations. Frequently, contractual matters raise a number of administrative, operational and policy questions that must also be addressed to ensure a successful relationship with the service provider.

### Actuarial Services

Ice Miller is unique among most law firms because of the presence of an actuary on staff. Ice Miller's actuary, Eric Dawes F.S.A., E.A., has 26 years of experience in employee entities and employee benefit plans, including 10 years of experience with public pension plans. Eric is a Fellow of the Society of Actuaries (FSA), a member of the American Academy of Actuaries (MAAA) and an Enrolled Actuary (EA). Eric provides basic actuarial services and specialized studies to pension and retiree healthcare plans. As an enrolled actuary, he is eligible to perform

actuarial funding valuations, and is also skilled in providing pension and retiree healthcare accounting information under both FASB and GASB.

### Staying Informed

Ice Miller maintains a national presence on issues affecting pension, health, and welfare plans, both public and private, through our active participation and membership with the key associations dedicated to these plans:

- The National Conference on Public Employee Retirement Systems ("NCPERS") (where Rob has presented and is active);
- The American Benefits Council (Fortune 500 Companies);
- The National Association of Public Pension Attorneys ("NAPPA") (where Mary Beth has repeatedly presented, was the President in 2009 and is currently on the Emeritus Board; where Lisa presented in 2010 (New Member Session), in 2013 (on Defined Contribution Plans), in 2014 (on group trust vehicles), and in 2015 (on Tax Qualification and Defined Contribution Plans); where Rob presented in 2015 and 2016);
- The National Council on Teacher Retirement ("NCTR") (where Mary Beth frequently presents at the annual conferences and currently is on the Advisory Committee and where Rob is active);
- The National Association of Government Defined Contribution Administrators ("NAGDCA") where Rob presented in 2015;
- The National Association of State Retirement Administrators ("NASRA");
- The Public Pension Financial Forum ("P2F2") (where Mary Beth presented in 2009 – 2015 and is scheduled to present in 2016);
- The National Association of College and University Attorneys ("NACUA");
- The National Association of College and University Business Officers (NACUBO"); and
- Illinois Public Pension Fund Association (IPPFA) (where Rob is active and has presented in 2013-2015).

Participation in these organizations enhances our ability to be involved in federal legislative activities that affect pension plans. These associations provide our attorneys with another important resource – a network of administrators and advisors facing similar issues. The information and insights gained through conversations and interaction with the other members of these organizations is invaluable.

We are pleased to note we issued a new edition of our Guidebook in July, 2015, a resource which is available only to our clients.

Ice Miller also prepares a chapter of the 457 Answer Book published by Wolters Kluwer. The published chapter discusses administrative issues related to Code Section 457 plans, whether eligible under Code Section 457(b) or ineligible under Code Section 457(f).

Finally, in October 2014, in conjunction with the National Conference of Public Employee Retirement Systems, we also published a Primer for Plan Administrators to assist them in matters involving plan administration and issues of federal taxation.

Ice Miller regularly submits comments on proposed regulations at the IRS and Department of Labor ("DOL") and in response to IRS requests for comments in order to bring public fund issues to the attention of government regulators. Ice Miller participated in all hearings on the new draft proposed IRS regulations on governmental plan status and assisted clients in preparing comments on the proposals.

Ice Miller has comprehensive experience in conducting training and audit programs in all areas related to employee benefits. Ice Miller's Employee Benefits Group can lead educational programs, including continuing education training, for a client's employees and board members on any topic or concerning any regulation relative to employee benefits. We can also conduct an in-depth audit to ensure compliance with any regulation concerning employee benefits. Audits provide our clients a way to identify issues before they are brought to light in a manner adverse to our client's interests. Some of the training and audit programs we have performed include qualified benefit plan compliance, welfare benefit plan compliance, IRS/DOL audits, claims administrations, fiduciary responsibilities (one such training was certified for continuing legal education credit by the State Bar of Texas), COBRA, HIPPA Privacy and qualified domestic relations orders (QDROs).

As attorneys and professionals who work in the employee benefits arena, we are acutely aware of the critical importance of staying informed of all developments in this area. Regulations, legislation, court opinions, and the "best practices" in the industry – all are crucial to being able to provide the best possible legal advice to our clients. Ice Miller keeps abreast of current trends in benefit design for governmental plans, an area which has taken on heightened importance over the past several years in light of plan funding concerns. We have been active participants in developing solutions for governmental entities in the ongoing evaluation of plan designs. Where appropriate legislative, regulatory or procedural changes are proposed to rectify problem areas. In developing these changes, Ice Miller has briefed boards of trustees, local officials, state office holders and legislative staff, and has testified before legislative committees. For instance, we have worked with the Alaska Retirement Systems, the Kansas Public Employees Retirement System, San Diego City Employees Retirement System, the City of Los Angeles Plans, the Maryland Retirement Systems, the University of Maryland, the Teachers Retirement System of Texas, the Washington State Department of Retirement Systems, the Oklahoma Public Employees Retirement System, the Kentucky Retirement Systems, and other plans on matters related to federal and state legislation in this regard. In addition to being able to draw on experiences from state to state, we bring to the debate the federal tax law context, which is sometimes overlooked until after the fact. Our work with governmental plans across the country allows us to respond to questions from clients, such as "What are other governmental plans doing about required minimum distributions?" "How are other plans responding to the IRS guidance on normal retirement age?"

Attorneys at Ice Miller draw on a variety of resources to remain informed of developments and provide timely advice and services to our clients. Ice Miller has an extensive library, including a significant number of resources specific to each practice area in the Firm. Those resources include treatises, loose-leaf publications, and a lengthy list of periodicals which are routed to the appropriate professionals. In addition, a number of electronic resources are available, including databases and research tools offered by CCH, RIA, BNA, and Westlaw. Many of these electronic resources provide us with a daily e-mail message containing updates on developments in a particular practice area.

### **3. Federal tax advice regarding DFPF's plan and benefit structure.**

The limitations on a governmental entity's ability to change benefits for existing employees is a topic of particular interest for governmental plans, as many states and municipalities face budget challenges and seek to reduce costs. These limitations generally derive from both state and federal law. State constitutions and state law may provide protections to current employees, ranging from protection beginning on the first day of employment to protection upon retirement. Of course, in the process of considering and implementing any plan design or changes to a plan design, it is critical to focus on achieving and/or maintaining favorable federal tax results.

We have done extensive research and advised public pension funds and government officials on issues such as vesting, benefit changes, board authority, and various statutory construction matters. For example, we have assisted many governmental plans (including, but not limited to: the Contra Costa County Employees' Retirement System, the City of Los Angeles plans (including Los Angeles Fire and Police Pension System), the Iowa Public Employees' Retirement System, the City of Cincinnati, the San Diego Employees Retirement System, the Employees Retirement System of Texas, the Teacher Retirement System of Texas, the Vermont Treasurer's Office, the Fire and Police Pension Association of Colorado, the New Jersey Division of Pensions and Benefits, the Kentucky Teachers' Retirement System, the Kentucky Retirement Systems, the Kansas Public Employees Retirement System, the State of Tennessee Consolidated Retirement System, and the Indiana Public Retirement System) with such issues. We have found that many pieces of state and local legislation today implicate critical federal issues that must be considered in the following areas:

- effect on the qualified tax status of the plan;
- effect on the qualified replacement plan status of the plan if there are any non-Social Security covered members in the plan;
- age discrimination in employment issues;
- effect on the pick-up (pre-tax) status of member contributions to the plan; and
- effect on health care structure and funding.

**4. Interpretation, advice, and implementation assistance with regard to: (a) laws and legal principles related to fiduciaries, (b) issues of professional liability and fiduciary liability and related insurance issues, and (c) issues regarding government officials and issues of government immunities.**

Ice Miller's Employee Benefits Group has provided guidance on trust and fiduciary issues for a number of our clients for many years. This work includes counseling with regard to the establishment and maintenance of trust documents, advising plan trustees and other fiduciaries as to their responsibilities and potential liabilities, representing clients before federal agencies (e.g., IRS and DOL), and representing clients in disputes and litigation. The trust and fiduciary area is an example of where the depth of our benefits experience in the private sector enhances our performance for governmental plans. Although not applicable to governmental plans, we often consider ERISA standards as one baseline comparison with respect to fiduciary questions. To assist clients, we may call on other lawyers in our group who are experienced in ERISA plan design, fiduciary standards, and administration as well as employee benefits litigation.

Among the general fiduciary issues we have addressed for our public fund clients are the following:

- Preparation of legislation and related documents to move a pension plan to instrumentality status (rather than an agency of government).
- Advice on open records/open meetings/privacy laws.
- Advice on legislative and other attempts at pension asset "raids" and preparation of testimony/position papers, in addition to legal memoranda.
- Board training on applicable fiduciary duties (one such training was certified for continuing legal education credit by the State Bar of Texas).
- Review of the internal audit capabilities and structures for the retirement systems.
- Development of adequate disaster recovery plans and systems.
- Assistance in monitoring risks by properly documenting and implementing reporting systems for variances.
- Development of a step-by-step approach to analyze statutes and rules for legal compliance to fulfill fiduciary duties.

We would like to highlight some specific examples of our work in this area. We have conducted fiduciary training seminars for (among others) Colorado PERA, Colorado FPPA, Iowa PERS, Kentucky TRS, Kansas PERS, Kentucky Retirement Systems, Montana PERA, South Carolina Public Employee Benefit Authority and the Employees Retirement System of Texas.

In recent years, our clients have increasingly asked us for fiduciary advice in new and challenging areas. In this regard, we have provided advice with respect to investment policies and procedures, securities regulation and litigation, corporate governance, and compliance with other federal law. Our Employee Benefits Group has significant experience in corporate governance, fiduciary obligations, and structuring issues affecting pension plans. In addition to considerable experience in this area among the attorneys of our Employee Benefits Group, Ice Miller is fortunate to have a significant corporate practice. Thus, our employee benefits lawyers

look to corporate lawyers when necessary for additional insight and perspective on governance issues.

Our work for public plan clients in this area frequently involves an evaluation of the process for considering asset allocations, investment managers, and investment performance evaluation. This process often focuses on developing a statement of investment policies for systems and/or amending existing policies. Our work in this regard includes the review or development of:

- Policy statements and guiding principles
- Responsible parties and their duties
- Code of ethics
- Custodian contracts
- Investment objectives and asset allocation
- Investment guidelines and performance standards
- Securities lending policies
- Trading and broker policy
- Proxy voting policy
- Standards for the selection of investment managers, consultants, and custodians
- Procedures for evaluation and review of investment managers, consultants, and custodians
- Policies with respect to "alternative" investments
- Development of securities litigation policies

We find that fiduciary concerns increasingly arise from securities law compliance issues. We are fortunate to have resources with deep experience in securities issues from the "inside" and the "outside." Our lawyers have considerable experience working in the securities compliance arena. For example, we have provided Ohio public pension fund clients with updates regarding legislative developments that may impact the compliance function of the Funds. These measures are seen as preventive in nature and are designed to avoid future complex litigation or regulatory inquiries. Certain of our lawyers have served in the following roles, thereby gaining experience that is beneficial to our pension fund clients, including the following:

- Former Director of Enforcement - Ohio Division of Securities
- Former Member of Enforcement Policy Group - North American Securities Administrators Association and alternate Board Member for the National White Collar Crime Center
- Former Assistant Attorney General of Ohio, Antitrust Enforcement and Court of Claims Defense

We have provided advice and counsel to the Ohio Public Employees Retirement System ("OPERS") on federal securities law compliance matters. For example, we conducted insider trading training at OPERS for all OPERS staff.

Some of the additional training and audit programs we have performed include qualified benefit plan compliance, welfare benefit plan compliance, IRS/DOL audits, claims administrations, COBRA, HIPAA Privacy, and qualified domestic relations orders (QDROs).

Ice Miller provided a comprehensive fiduciary review for the Kentucky Retirement Systems, which covered the investment and financial policies, procedures, and performance of the trust funds for the Kentucky Employees Retirement System, the County Employees Retirement System, the State Police Retirement System, and the Kentucky Retirement Systems Insurance Fund. This covered a legal analysis of the sources of fiduciary responsibility and specific analysis of areas such as Board involvement in investments, selection of vendors, and litigation.

**6. Litigation (excluding securities monitoring and litigation): While DFPF does not have an immediate need for litigation services or representation, DFPF requires expeditious access to providers of such services in the event the need arises. These services may include, but are not limited to, defense of claims and lawsuits that may be brought against DFPF, representation of DFPF employees responding to requests for documents and/or testimony in depositions, trials and administrative proceedings, and prosecuting and/or defending such lawsuits and claims as may be required to protect DFPF's interests.**

#### Litigation

Ice Miller provides dispute resolution and representation in litigation for all types of alleged violations relating to benefit plans and benefit entitlements. These include alleged breaches of fiduciary responsibility, prohibited transactions, and claimed defects in plan administration. We have represented governmental public funds in very significant litigation. One case involved the fundamental employee account structure in a state level plan and fiduciary issues related to the same (*Morley v. Indiana Public Employees Retirement Fund*; 41C01-8901-CP-0004) and another involved the system's fundamental status as a governmental plan (*Marriott v. Ohio School Employees Retirement System*; 156 F.3d 1230; 1998 U.S. App. LEXIS 28681). We also are involved in advising clients with respect to claims against financial institutions.

Ice Miller is counsel to Kentucky Employees Retirement System ("KERS") in an action captioned *In re Seven Counties Services, Inc.*, Case No. 13-31442 (U.S. Bankruptcy Ct., W.D. Ky.) and related adversary proceedings. Seven Counties Services, Inc. ("SCS") filed a Chapter 11 proceeding as part of an effort to withdraw from continued participation in KERS. Two separate adversary proceedings have been filed in connection with this case. On May 30, 2014 the bankruptcy court issued a decision which allows SCS to withdraw from KERS. That decision is reported as *In re Seven Counties Services, Inc.*, 511 B.R. 431 (Banks. W.D. Ky. 2014). On March 31, 2016 the United States District Court for the Western District of Kentucky issued a Memorandum Opinion and Order which affirmed the bankruptcy court's ruling. KERS intends to appeal that decision to the United States Court of Appeals for the Sixth Circuit.

Ice Miller currently represents twenty-six public pension funds/entities (including Retirement Systems of Alabama; Public Employee Retirement System of Idaho; Illinois Municipal Retirement Fund; Kentucky Retirement Systems; Teachers' Retirement System of Louisiana; Louisiana School Employees Retirement System; Pension Reserves Investment

Management Board of the Commonwealth of Massachusetts; Michigan Department of Treasury; Mississippi Public Employees' Retirement System; Ohio Public Employees Retirement System; School Employees Retirement System of Ohio; Tennessee Consolidated Retirement System; Texas Education Agency; Employee Retirement System of Texas; and the Utah Retirement Systems) in connection with fraudulent conveyance litigation arising out of The Tribune Company, Inc.'s ("The Tribune") 2008 bankruptcy. Creditors of The Tribune are seeking to force former Tribune shareholders (among them public pension funds) to disgorge those amounts received by the shareholders in connection with The Tribune's 2007 leveraged buyout. Collectively, the plaintiffs in this litigation are seeking to recover more than \$65 million from Ice Miller's public entity and pension fund clients. This litigation remains pending in the United States District Court for the Southern District of New York.

Ice Miller also represents eighteen public pension funds/entities (Kentucky Teachers' Retirement System, New Mexico State Investment Council, North Carolina Treasurer, California State Teachers Retirement System, Pennsylvania Public Employees' Retirement System, The Public School and Public Education Retirement Systems of Missouri, Public Employee Retirement System of Idaho, Retirement System of Alabama, Teachers' Retirement System of Louisiana, Pension Reserves Investment Management Board of Massachusetts, Michigan Department of the Treasury, Ohio Public Employees Retirement System, Ohio Police and Fire Pension Fund, Mississippi Public Employees Retirement System, Texas Education Agency, Utah Retirement System, Kentucky Retirement Systems, and Arkansas Teacher Retirement System) in connection with fraudulent conveyance litigation arising out of the Lyondell Chemical ("Lyondell") bankruptcy. Creditors of Lyondell are seeking to force former Lyondell shareholders (our public fund clients and others) to disgorge those amounts received by shareholders in connection with Lyondell's leveraged buyout. Collectively, the plaintiffs in this litigation are seeking to recover more than \$170 million from Ice Miller's public entity and pension fund clients. This litigation remains pending in both the United States Bankruptcy Court and the United States District Court for the Southern District of New York.

- b) **Resumes of Individuals. All responses must include resumes of each individual proposed to provide services to DPFPP as well as written descriptions of the individuals' experience in the categories of legal services identified in the response. All respondents must identify the individual(s) who will have primary responsibility for contact and communications with DPFPP under each such category of legal services. DPFPP reserves the right to reject a respondent's use of any particular individual to perform legal services, within DPFPP's sole discretion. Any changes by respondent to personnel to provide services to DPFPP requires approval by DPFPP and DPFPP reserves the right to terminate a respondent's contract if it changes personnel providing services to DPFPP without approval by DPFPP.**

We anticipate that the following professionals would be responsible for providing advice, counsel and assistance to DPFPP: Austin Anderson (licensed to practice law in Indiana) (associate in the Indianapolis office), Mary Beth Braitman (licensed to practice law in Indiana and Texas) (partner in the Indianapolis office), Malaika Caldwell (licensed to practice law in



Illinois and Indiana) (associate in the Chicago office), Matthew L. Fornshell (licensed to practice law in Ohio) (partner in the Columbus office), Robert L. Gauss (licensed to practice law in Indiana) (partner in the Indianapolis office), Lisa Erb Harrison (licensed to practice law in Indiana) (senior counsel in the Indianapolis office), Shalina Schaefer (licensed to practice law in Indiana) (of counsel in the Indianapolis office), Christopher S. Sears (licensed to practice law in Indiana) (partner in the Indianapolis office), Taretta Shine (paralegal in the Chicago office), Daniel R. Swetnam (licensed to practice law in Ohio) (partner in the Columbus office), and Gregory D. Wolf (paralegal in the Indianapolis office),. The current resume for each of our proposed team members is attached to this proposal as Appendix A.

Mary Beth Braitman and Robert L. Gauss will act as the primary contact individuals who will be assigned to DPF and who will supervise and review all work performed for DPF. Mary Beth has practiced in the employee benefits arena for 34 years at Ice Miller, focusing on Internal Revenue Code ("IRC") advice for employers and plans. For the last 25 years, Mary Beth has devoted essentially all of her time to the governmental plan area. As to state statutory requirements, we generally work closely with in-house counsel. However, Mary Beth Braitman is admitted to practice law in Texas (since 2010), and is available to respond to state law questions that may arise in this engagement. Rob has been practicing for 23 years, including in the areas of defined benefit and defined contribution administration and compliance, QDROs and fiduciary duties for our governmental clients. Austin Anderson has one year of experience in employee benefits. Malaika Caldwell has 5 years of experience in providing legal advice to benefit plans, 3 years dedicated to representing or working for public employee retirement plans. Lisa Erb Harrison has practiced in the governmental employee benefits arena for 16 years. Christopher Sears has 16 years of experience in employee benefits. Shalina Schaefer has 6 years of experience in employee benefits. Taretta Shine has more than 20 years' experience in the health care, insurance and employee benefits fields. Greg Wolf, who also has a law degree, has 18 years of experience with public pension plans. When appropriate, Mary Beth and Rob will assign (and supervise) projects to our associate, of counsel, paralegals or our Firm's actuary to achieve cost effectiveness for DPF. Whenever possible, a paralegal is utilized to perform non-attorney work so that the client will benefit from their experience and our lowest hourly rates. To summarize each of these attorney's experience working with public sector clients, we have attached Appendix B to our proposal, which is a representative listing of public retirement systems for whom we currently provide services as tax and/or employee benefits counsel is (we have populated the column entitled "Attorneys Working on File" to show which of the attorneys were involved with the file to demonstrate each attorney's experience). See also our responses under Section IV.A.2.a. of our proposal for a demonstration of our experience in working with public sector client.

The size of our Employee Benefits Group gives us the breadth and depth to handle large, sophisticated assignments in accordance with the client's timetable. Mary Beth and Rob monitor each professional's workload.

Our staffing structure serves a client's need for timely and responsive communication, as well as the effective and efficient resolution of matters. We create teams relevant to each client. We also have experienced and creative paralegals and other professionals who may be an integral part of the team, expediting work flow and conscientiously assisting as needed. Our general approach to staffing is to create teams based on the needs of each matter. We typically

have two partners who are responsible for the overall conduct of matters for each client, with the assistance of the necessary number of other attorneys and paralegals. Careful attention is given to ensure that our professionals with substantive experience in the type of matter at issue and the most cost effective hourly rate are selected without compromising the quality of the work on the client's behalf. After the initial intake assessment for any given matter, we will notify you as soon as possible if it becomes necessary to make a change in staffing. Ice Miller cultivates close working partnerships with its clients to ensure that matters are staffed to properly meet the client's legal needs, timeframe and to achieve cost effectiveness.

In addition to the oversight and management provided by the partners in charge, partners and associates work together on matters based on their background and experience, as it relates to the client's specific needs. In this structure, all attorneys working on a matter are familiar with and can act as a "back up" to another attorney and because of our depth of attorneys in the practice, any particular departure of an attorney in the practice would be manageable. We are identifying both Mary Beth and Rob as primary contact for tax work for DPFPP to give assurance of a backup in any event.

We are also including Matthew L. Fornshell and Daniel R. Swetnam with regard to the services requested in Item (6) Litigation (excluding securities monitoring and litigation) of the specific numbered categories of legal services in Section III of the RFQ for which Ice Miller's response seeks consideration.

Matthew L. Fornshell serves as the leader of two Ice Miller litigation practice areas: Securities Litigation and Regulation and Government Enforcement, Internal Investigations and Corporate Compliance. His practice focuses on representing clients in state and federal securities and regulation, antitrust investigations and confidential internal corporate investigations. As the former Director of Enforcement for the Ohio Division of Securities, Matt has substantial experience representing clients in civil and administrative proceedings before the U.S. Securities and Exchange Commission, the U.S. Commodities Futures Trading Commission, the Financial Industry Regulatory Authority ("FINRA") and the Ohio Division of Securities. He also regularly represents clients in complex private securities litigation in state and federal courts.

Daniel R. Swetnam is a partner at Ice Miller and focuses his practice on business restructuring and creditors' rights. He represents both debtors and creditors in bankruptcy and workout matters and has litigated plan confirmation issues, contract disputes, valuation issues, lease disputes, preference claims, motions for relief from stay and numerous other bankruptcy issues. In addition, Dan's tried cases outside of bankruptcy include shareholder disputes, state and federal court receivership matters, trust disputes, contract disputes and other business related matters.

- c) **Conflicts of Interest. Responses must describe any existing or potential conflict of interest that will or could arise and that should be considered by DPFPP, and must provide sufficient facts, describe the legal implications, and the possible effects so that DPFPP can evaluate and appreciate the significance of each potential conflict.**

Ice Miller has performed an initial conflicts check for potential conflicts of interest, in accordance with the Firm's procedures. Ice Miller is not aware at this time of any conflicts of interest which would prevent it from fully representing DPFPP as described in the RFQ. Nor is Ice Miller aware of any potential conflicts of interest which might arise with respect to its representation of DPFPP. Ice Miller finds that it rarely encounters conflicts of interest with respect to its governmental pension plan clients. However, in the event that a conflict of interest was to arise during the course of our work with DPFPP, Ice Miller would notify DPFPP of the conflict immediately and take action to appropriately address the conflict.

- d) **Malpractice and Discipline. Respondents must provide the dollar limits of malpractice and/or errors/omissions coverage, and state whether the respondent has settled any past claims or has any claims pending against it currently related to similar services. Please indicate whether the respondent or any attorneys identified in the response have been named as a defendant in any malpractice or disciplinary actions and if so, briefly describe any such action and the outcome of such action.**

Ice Miller has Professional Liability Coverage with Attorneys' Liability Assurance Society, Inc. under Policy ALA#1735 with an annual limit of \$35,000,000 per claim and \$70,000,000 in the aggregate. The self-insured retention under such Policy is \$1,000,000 each claim up to an aggregate of \$2,000,000 and \$100,000 each claim thereafter. The Policy effective date is from January 1, 2016 to January 1, 2017.

Ice Miller does not have any claims pending against it currently related to similar services. There is one civil case pending against the Firm, but it does not involve allegations of professional negligence. Such matter would not be pertinent to the ability of the Firm to provide the requested services, and this matter does not involve any of the attorneys in the Firm who would be involved in providing services to DPFPP. Further detail with regard to this matter will be provided, if requested. There are no disciplinary actions pending against any of the Firm's attorneys.

- e) **References. All responses must identify at least three (3) client references of the firm, and preferably clients who have utilized the firm on matters related to the respective categories of legal services for which the respondent desires to be selected. The references must include the full name of the client, the name of the contact person, a phone number, an email address, and a geographical location. In addition to the foregoing, please include a listing of public and private clients for whom the respondent firm has provided services similar to those set forth in the categories of legal services for which the respondent seeks to be considered under this RFQ, with a description of the services provided. If any of the individuals identified in the response previously participated in any of the services performed for other**

**clients on the aforementioned listings, please identify the services in which each such individual participated.**

Below are five client references for whom we have performed similar work to that requested in the RFQ. We have attached Appendix B to our proposal, which is a representative listing of public retirement systems for whom we currently provide services as tax and/or employee benefits counsel (to summarize each attorney's experience working with public sector clients, we have populated the column entitled "Attorneys Working on File" to show which of the attorneys were involved with the file to demonstrate each attorney's experience). See also our responses under Section IV.A.2.a. of our proposal for a demonstration of our experience in working with public sector client.

Name of client: Name of client contact: Telephone number of client contact: E-mail address of client contact: Address of client:	Kansas Public Employees' Retirement System Laurie McKinnon, General Counsel 785-296-6059 <a href="mailto:lmckinnon@kpers.org">lmckinnon@kpers.org</a> 611 South Kansas Avenue, Suite 100 Topeka, KS 66603-3803
Name of client: Name of client contact: Telephone number of client contact: E-mail address of client contact: Address of client:	Washington Department of Retirement Systems Anne Hall, Senior Counsel Washington State Attorney General's Office 360-586-9037 <a href="mailto:anneh@atg.wa.gov">anneh@atg.wa.gov</a> 7141 Cleanwater Drive SW P.O. Box 40108 Olympia, WA 98504-0108
Name of client: Name of client contact: Telephone number of client contact: E-mail address of client contact: Address of client:	Tennessee Consolidated Retirement System Christy A. Allen, Assistant Treasurer for Legal, Compliance and Audit 615-253-3853 <a href="mailto:christy.allen@tn.gov">christy.allen@tn.gov</a> Tennessee Department of Treasury 502 Deaderick Street 13th Floor, Andrew Jackson Bldg. Nashville, TN 37243-0201
Name of client: Name of client contact: Telephone number of client contact: E-mail address of client contact: Address of client:	Employees Retirement System of Texas Paula A. Jones, General Counsel and Chief Compliance Officer 512-867-7172 <a href="mailto:paula.jones@ers.state.tx.us">paula.jones@ers.state.tx.us</a> 18th & Brazos P.O. Box 13207 Austin, TX 78711-3207

Name of client:	Teacher Retirement System of Texas
Name of client contact:	Mary Chang, Assistant General Counsel
Telephone number of client contact:	512-542-6417
E-mail address of client contact:	<a href="mailto:mary.chang@trs.texas.gov">mary.chang@trs.texas.gov</a>
Address of client:	1000 Red River Street Austin, TX 78701-2698

- f) **Pending Litigation. All responses must include details of any relevant judgment, criminal conviction, investigation or litigation pending against the respondent or any of its officers, directors, employees, agents or subcontractors of which the respondent has knowledge, or a statement that there are none.**

There is one civil case pending against the Firm which does not involve allegations of malpractice. Such matter would not be pertinent to the ability of the Firm to provide the requested services, and this matter does not involve any of the attorneys in the Firm who would be involved in providing services to DFPF. Further detail with regard to this matter will be provided, if requested.

- g) **Representations and Warranties. Exhibit 1, signed by an authorized officer of the respondent, must be included in the response.**

Attached is our completed and signed Exhibit 1 – Proposal Submission Sheet.

- h) **Fee Proposal. All responses must include a fee proposal on the form contained in Section X below. Respondents should note that work performed must be billed in accordance with the fee proposal provided by the respondent.**

Our Fee Proposal is included below under Section X of our proposal.

- i) **CIQ. Include with your response a completed State of Texas Local Government Conflict of Interest Questionnaire Form CIQ. A listing of DFPF Trustees and staff can be found on DFPF's website at [www.dfpf.org](http://www.dfpf.org). If you believe the Questionnaire is inapplicable, please so state or submit form with an appropriate notation. DFPF will not provide guidance regarding this form.**

We have not attached a completed State of Texas Local Government Conflicts of Interest Questionnaire Form. We believe the Questionnaire is inapplicable because we do not have any relationships to disclose. We certainly will submit a completed Questionnaire Form if requested.

## **X. Fee Proposal.**

**Please detail in this fee proposal the type and dollar value of the fee arrangements that you propose. The offered fees and rates and billing structures should include a**

stated willingness (and preferably a commitment) to offer additional discounts, flat fees, blended rates, fee caps and other forms of competitive pricing. Please note that state finance law prohibits payment of retainers in advance of the provision of services.

All responses proposing hourly billing rates must include a detailed explanation of the hourly rates for each individual identified as a provider of legal services. Hourly rates are to be provided in the table below. Additionally, respondents must include explanations of any other expenses (i.e., photocopying, faxing, telephone usage, etc.). PRIM typically does not reimburse non-extraordinary travel costs nor pay fees for time spent in non-extraordinary travel.

We anticipate that the following professionals would be responsible for providing advice, counsel and assistance to DFPF. We propose to offer DFPF a 10% discount over our standard hourly rates, which are subject to adjustment on an annual basis. We also propose to cap our maximum rate at \$550.00 per hour.

For 2016, our rates would be as follows:

Please include a chart similar to the following:

Firm Position*	Name	Hourly Rate	
		Standard	Discount /Cap
Most Senior Attorney/Client Contact	Mary Beth Braitman, partner*	\$635.00	\$550.00
	Robert L. Gauss, partner*	\$510.00	\$459.00
Other Senior Attorney	Matthew L. Fornshell, partner	\$495.00	\$445.50
	Lisa Erb Harrison, senior counsel	\$510.00	\$459.00
	Shalina Schaefer, of counsel	\$370.00	\$333.00
	Christopher S. Sears, partner	\$530.00	\$477.00
	Daniel R. Swetnam, partner	\$480.00	\$432.00
Junior Attorney 3			
Junior Attorney 2	Malaika Caldwell, associate	\$300.00	\$270.00
Junior Attorney 1	Austin Anderson, associate	\$250.00	\$225.00
Paralegal	Taretta Shine, paralegal	\$340.00	\$306.00
	Gregory Wolf, paralegal	\$310.00	\$279.50

*\*Please note who will serve as the client contact responsible for the DFPF relationship.*

Ice Miller agrees to provide the discounted hourly rates listed above for the next three years. The foregoing rates would be subject to adjustment in accordance with Ice Miller's customary billing rate increases at the end of the initial three year period and each January 1 thereafter, but the 10% discount would continue to apply to the adjusted rates.

We have also included below the rest of the Employee Benefits Group so should needs arise you would have these rates.

For 2016, our rates would be as follows:

	<u>Standard</u>	<u>Discount</u>
Peyton Bailey, paralegal	\$250.00	\$225.00
Craig Burke, partner	\$530.00	\$477.00
Eric Dawes, actuary	\$545.00	\$490.50
Audra Ferguson-Allen, partner	\$385.00	\$346.50
Jasmin French, associate	\$310.00	\$279.00
Sarah Funke, partner	\$430.00	\$387.00
Raven Merlau, associate	\$300.00	\$270.00
Ann O'Hara, of counsel	\$340.00	\$306.00
Melissa Proffitt, partner	\$595.00	\$535.50
Marc Sciscoe, partner	\$595.00	\$535.50
Tara Sciscoe, partner	\$530.00	\$477.00

Ice Miller agrees to provide the discounted hourly rates listed above for the next three years. The foregoing rates would be subject to adjustment in accordance with Ice Miller's customary billing rate increases at the end of the initial three year period and each January 1 thereafter, but the 10% discount would continue to apply to the adjusted rates.

#### Additional Fees

Additional anticipated fees and expenses would include the following items: (1) photocopies are billed at 18¢ per page; (2) long distance telephone charges are billed based on actual costs to the Firm from the carrier; (3) on-line computer assisted legal research is billed at rates established taking into account vendor charges; (4) courier delivery expenses are to be charged at the regular rates imposed by Federal Express, UPS, or other applicable courier service companies; (5) facsimile expenses are billed at \$1.50 per page; and (6) travel costs (such as airline tickets, hotel expenses, and meals) are billed based on the actual cost incurred. We would be willing to negotiate a different billing arrangement on each of these items should DPFPP have any other preferences or requirements.

In the event we would make filings with the IRS for determination letters, private letter rulings, or for voluntary correction, DPFPP would be responsible for any IRS filing fees.

Of course, Ice Miller is willing and committed to discuss with DPFPP other potential discounts, flat fees, blended rates, fee caps and/or other forms of competitive pricing.

DPFPP's primary contacts, Mary Beth Braitman and Robert L. Gauss, as the Partners-in-Charge will assign projects to other lawyers and/or professionals as appropriate. Whenever possible, a paralegal is used to perform non-attorney work so that the client will benefit from the lowest hourly rate possible.

We routinely look for ways to keep our clients' fees as low as possible, and delegate work as appropriate in order to help facilitate this efficiency. Ice Miller does not charge clients for overhead costs. Ice Miller is committed to several continuous improvement initiatives such as: organization of systems and processes; systematic acquisition and sharing of information through

technology to create a learning organization; enhancing client relationships through information sharing and joint staffing as well as systematically striving for continuous improvement in quality and service, among others.

We have had success in establishing and following budgets for specific matters for various clients. As always, consistent client communication is the key to understanding and managing expectations.

We understand that the value we provide to our clients must go far beyond the technical legal services we provide. It is vitally important that we be responsive to our clients and understand their mission and the challenges they face. The extensive experience of our Firm and our broad, varied client base provides us with a comprehensive understanding of the challenges faced by public pension plans. We believe the best value is provided when we can achieve the results desired by the client by bringing our experience in the public plan area to bear on each client's issues. We can describe what worked and what didn't work for other clients, giving one client the advantage of other clients' experiences. We believe this enables us to accomplish many projects without "reinventing the wheel." We believe that the breadth and depth of the work we do in this area creates significant value for our public pension plans clients, because few matters are a "case of first impression". We know there is no single approach that always "fits", but we do generally have several approaches we have used in different situations to draw upon.

Ice Miller was founded on a commitment to provide personal service and valued legal counsel to our clients. After more than 105 years, that hasn't changed. We cultivate close working partnerships between clients and attorneys to ensure personal attention is provided every step of the way. We maintain open communication throughout a project in order to ensure that the product we provide meets your needs. Ice Miller believes that the close working relationship which we strive to build with each client is our best means of ensuring that client concerns are identified and addressed rapidly and effectively. Only through this regular contact and feedback can we be certain that we are serving our clients and providing value to the highest possible degree.

We will provide detailed billing that discloses a summary of the work performed, who worked on the inquiry, and the hourly rate billed for the service. Generally, we provide such invoices on a monthly basis. We can structure our billing format in the manner most helpful to you.

We will provide detailed billing that discloses a summary of the work performed, who worked on the inquiry, and the hourly rate billed for the service. Generally, we provide such invoices on a monthly basis. Occasionally, we may bill on a less frequent basis if the time involved in the prior month was minimal. We can structure our billing format in the manner most helpful to the reviewers at the client.



**Respondents should note that DPFPP will ask each respondent to agree to contractual "Most Favored Nation ("MFN")" language such as the following:**

**"In the event that the [service provider], currently or at any time during the term of this Agreement, is a party to or enters into an agreement with a party other than DPFPP to perform services that are substantially similar to those under the Agreement with DPFPP at a lower or more favorable fee, the [service provider] will promptly notify DPFPP of such arrangement and offer DPFPP the same arrangement."**

**A respondent willing to agree to such a "MFN" contractual provision should so indicate in its fee proposal; a respondent unwilling to agree to such a "MFN" contractual provision should likewise so indicate in its fee proposal.**

The rates and terms reflected in this proposal are the most favorable we have offered new clients contracting under the same material terms and conditions, at the same time as this Agreement, and with the same type of plan(s). The only governmental plan clients which currently are receiving a lower rate are based upon the fact that the contract was entered into at an earlier time (thus, the Firm's standard rate was lower) or it is based on a long historical relationship with the client.

Notwithstanding the above paragraph, Ice Miller is willing to agree that in the event that Ice Miller, at any time during the term of this Agreement, becomes a party to, or enters into an agreement with, a party other than DPFPP to perform services that are substantially similar to those under the Agreement with DPFPP at a lower or more favorable fee, Ice Miller will promptly notify DPFPP of such arrangement and offer DPFPP the same arrangement.

PROPOSAL PRESENTED BY ICE MILLER LLP

By: Mary Beth Braitman  
Mary Beth Braitman, Partner

By: [Signature]

Dated: April 28, 2016

**EXHIBIT 1  
PROPOSAL SUBMISSION SHEET**

By the signature hereon, respondent certifies the following:

- All statements and information prepared and submitted in the response to this RFQ are current, complete, and accurate.
- Respondent has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a DPPFP Trustee, employee, or immediate family member in connection with the submitted response.
- Respondent accepts the terms of the RFQ.
- Between the date that the RFQ was issued and the date of full execution of a contract, respondent has not made and will not make contact about this RFQ with a DPPFP Trustee.
- This response and its terms will be honored and valid through the date of full execution of a contract.
- This response is complete as submitted.
- Respondent is unaware of any facts that would create a conflict that would prevent providing the services respondent is proposing to provide to DPPFP.
- The person who signs below is authorized to represent and contractually bind the respondent.

RESPONDENT (COMPANY): Ice Miller LLP

AUTHORIZED SIGNATURE (INK): *Judith S. Okenfuss*

NAME (TYPED/PRINTED): Judith S. Okenfuss

TITLE: Deputy Managing Partner                      DATE: 4/28/2016

STREET: One American Square, Suite 2900

CITY/STATE/ZIP: Indianapolis, IN 46282-0200

TELEPHONE NUMBER: 317-236-2115

EMAIL ADDRESS: Judy.Okenfuss@icemiller.com

FACSIMILIE: 317-592-4721

FEDERAL TAX IDENTIFICATION NUMBER: 35-0874357

Exhibit 1

N10048052.2

Exhibit 1

N10048052.2

## **APPENDIX A** **BIOGRAPHIES**

### **Mary Beth Braitman**

#### **Partner Indianapolis**

One American Square Suite 2900 Indianapolis, IN 46282-0200  
email marybeth.braitman@icemiller.com  
p 317-236-2413  
f 317-592-4616

assistant Michele French  
p 317-236-2486  
email michele.french@icemiller.com



#### **Education**

##### **Undergraduate School**

BS, Indiana University 1971

##### **Law School**

Indiana University Robert H. McKinney School of Law 1981

#### **Admissions**

Indiana  
Texas

#### **Overview**

Mary Beth works with governmental retirement and health systems compliance with federal law, fiduciary issues and plan design innovations. Recent projects include financing/designing health benefits; fiduciary audits on governance and investment practices; pick-up programs; qualified excess benefit arrangements; correction projects; and design of comprehensive compliance strategies.

In the last several years, a number of complex "change" questions have arisen, often in connection with sustainability and design projects. Mary Beth advises with respect to potential federal law and fiduciary issues in these projects. We strive to be creative and constructive in these projects.

#### **Reported and Representative Cases**

- She represents governmental clients in over 30 states in significant matters involving employee benefits and compliance with federal law.
- She speaks and writes regularly for the National Council on Teacher Retirement, the Public Pension Financial Forum, the National Association of Public Pension Plan Attorneys.

#### **Firm Publications**

- 2/8/2016 - IRS Delays Enforcement Action Against Employers Offering Premium Reduction Arrangements in Connection with Student Health Coverage
- 2/8/2016 - Developments on Normal Retirement Age Regulations for Governmental Plans
- 1/4/2016 - Governmental Plan Alert: Expiration Dates on Pre-2016 Determination Letters No Longer Operative
- 12/29/2015 - IRS Extends Deadlines for 2015 Affordable Care Act Information Reporting
- 12/23/2015 - Cadillac Tax Delayed Until 2020
- 7/10/2015 - Governmental Plans: Moving Forward After the Obergefell Decision

- 6/26/2015 - Supreme Court Strikes Down Same-Sex Marriage Bans
- 6/25/2015 - The Affordable Care Act Lives On: The Supreme Court Maintains the Status Quo
- 6/10/2015 - New Law Eases Tax Burden for Public Safety Officers
- 5/11/2015 - HDHP and HSA Annual Limits Increase for 2016
- 4/14/2015 - New IRS Guidance Revises EPCRS; Allows Flexibility Correcting Overpayments
- 1/23/2015 - BREAKING NEWS REGARDING THE PARTICIPATION OF CHARTER SCHOOLS IN GOVERNMENTAL PLANS
- 10/9/2014 - U.S. Supreme Court Declines to Hear Same-Sex Marriage Appeals and Ninth Circuit Court of Appeals Adds to List of Marriage Equality States
- 10/7/2014 - IRS Guidance Relaxes Allocation Rules Making After-Tax Rollovers Easier
- 7/24/2014 - Split Subsidy Decisions No Excuse to Delay ACA Preparation
- 6/20/2014 - GASB Proposes Sweeping Changes for Governments to Report OPEB
- 6/17/2014 - IT'S THAT TIME AGAIN...PCORI FEES ARE DUE!
- 5/15/2014 - Health Insurance Premium Payments by Qualified Retirement Plans are Taxable
- 4/29/2014 - HDHP and HSA Annual Limits Increase for 2015
- 4/14/2014 - Governmental Plans Alert: IRS Issues Guidance Regarding Application Of The Windsor Decision To Qualified Retirement Plans
- 4/7/2014 - New Revenue Ruling Provides Safe Harbor Procedures for Rollover Contributions
- 3/20/2014 - NOTICE: FIVE-DAY WINDOW UNTIL MARCH 24 TO COMMENT ON PROPOSED SUBSCRIBER CONTRIBUTION FORM FOR ACCESS TO DEATH MASTER FILE
- 3/20/2014 - Now is the Time to Focus on In-Plan Roth Transfers
- 3/12/2014 - Governmental Plans Checkup: Mid-Year Compliance Review
- 2/11/2014 - Treasury and IRS Issue Final Regulations on Employer Penalties and Provide New Relief
- 11/15/2013 - "Use-It-Or-Lose-Some-Of-It": The New FSA Carryover Rule
- 10/3/2013 - IRS Issues Notice 2013-61 Providing Streamlined Procedures to Correct Overpayment of Employment Taxes Post-*Windsor*
- 9/20/2013 - Health Reform Exchange Notices Deadline Approaching For Employers
- 9/20/2013 - Model Notices of Privacy Practices Available to Meet Fast Approaching Deadline
- 9/19/2013 - Health Reform Exchange Notices Deadline Approaching For Employers
- 8/30/2013 - IRS Releases Guidance on Same-Sex Spouses
- 8/8/2013 - IRS Intends to Increase Scrutiny of Worker Classification Cases
- 7/10/2013 - IRS Makes Shared Responsibility Delay Official
- 7/3/2013 - Health Care Reform's Employer Penalties Delayed For a Year
- 3/6/2013 - IRS Has Issued Instructions for the 2013 Form 1099-R
- 2/21/2013 - Expansion of the Availability of In-Plan Roth Transfers
- 12/12/2012 - IRS Releases 2012 Cumulative List for Cycle C Filers
- 12/6/2012 - IRS Forum Will Discuss Relief on Plan Loan and Hardship Distribution Requirements for Hurricane Sandy Victims
- 11/26/2012 - IRS Allows Governmental Plan Sponsors to Elect Cycle E
- 11/2/2012 - The Importance of Proper Coding for Form 1099-R Reporting
- 7/9/2012 - SCOTUS Affordable Care Act
- 6/28/2012 - Supreme Court Rules to Uphold the Individual Mandate: The Affordable Care Act Survives
- 6/1/2012 - IRS Issues Guidance on 2013 Limit on Health Flexible Spending Arrangements
- 5/4/2012 - HDHP and HSA Annual Limits Increase in 2013

- 4/18/2012 - Proposed Guidance Would Clarify How Normal Retirement Age Regulations Impact Governmental Pension Plans
- 2/20/2012 - New Opportunities for Governmental Plans to Discuss Important Guidance with IRS and Treasury
- 2/17/2012 - Mandatory Survey Requires Entities to Report Foreign Securities by March 2
- 2/8/2012 - Public Hearings Rescheduled to Discuss Important Governmental Plan Guidance
- 12/16/2011 - PPACA Employer Responsibilities for 2012:
- 11/17/2011 - TIPRA Three Percent Withholding Regulations Repealed
- 11/7/2011 - Proposed Rules Would Provide Important Governmental Plan Guidance
- 6/7/2011 - After Cycle C/E – Now What?
- 3/30/2011 - Departments Further Delay Enforcement of Certain Internal Claims and Appeals Procedures Under PPACA
- 3/4/2011 - Final FBAR Regulations Issued
- 12/21/2010 - IRS Expands Rules for Tax-Exempt Group Trusts
- 11/12/2010 - IRS Issues Guidance on Unforeseeable Emergency Distributions Under 457(b) Plans
- 10/14/2010 - Updated Summary of Health Care Reform for Employers
- 9/28/2010 - Small Business Jobs Act Impacts Retirement Plans

#### Published In

- Contributor, CCH Law, Explanation and Analysis, Pension Protection Act of 2006; "Update on Legal Issues Affecting Public Plans," NCTR Annual Conference, Austin, Texas, October 2006; "Current Regulatory Requirements for Employee Health Expense Accounts - HRAs and HSAs," NAGDCA, September 2006; "Guide to the Proposed 415 Regulations for Qualified Governmental Plans," NCTR Annual Conference, Tampa, Fla., October 2005; "Selected Federal Regulatory Development for Governmental Plans," NAPPA Annual Conference, June 2005; "Plan Assets - A Moving Target?" NAPPA Annual Conference, June 2004; "Advanced Tax" Workshop, NAPPA Annual Conference, San Francisco, Calif., June 2003; "Retiree Health Care Programs," Government Finance Officers Association Annual Convention, May 2003; "403(b) Plan Update;" "Governmental Plan 457 Proposed Regulations," IRS Leadership Conference, Chicago, Ill., Oct. 24, 2002; "Governmental Plan 457 Proposed Regulations," Public Safety Employees Pension and Benefits Conference, Palm Springs, Calif., Oct. 21-23, 2002; "Recent Regulatory Developments for Public Pension Plans," National Council on Teacher Retirement 80th Annual Convention, Anchorage, Alaska, Oct. 7-10, 2002; "Portability Issues After EGTRRA;" "Governmental Plans Update - ALI-ABA Retirement, Deferred Compensation and Welfare Plans of Tax Exempt and Governmental Employers" and "Retirement Savings Legislation Included in Tax Relief Bill Applicable to Governmental Plans," ALI-ABA - Washington, D.C., Sept. 11-13, 2002; "High Performance Plans – Innovations in Service Purchase, Retiree Medical, and Leave Conversion," National Association of State Personnel Executives, August 2002 Convention

#### Ice Miller News

- 2/15/2016 - Ice Miller Announces 53 Attorneys Named in 2016 Indiana Super Lawyers
- 8/17/2015 - 118 Ice Miller Attorneys listed in The Best Lawyers® in America 2016
- 2/13/2015 - Ice Miller Announces 54 Attorneys Named in 2015 Indiana Super Lawyers
- 8/18/2014 - 112 Ice Miller Attorneys listed in The Best Lawyers in America© 2015
- 2/12/2014 - Ice Miller Announces 54 Attorneys Named in 2014 Indiana Super Lawyers
- 8/16/2013 - 118 Ice Miller Attorneys Named to Best Lawyers in America List
- 2/14/2013 - Ice Miller Announces Sixty Six Attorneys Named in Indiana Super Lawyers

- 9/10/2012 - One-Hundred Twenty-Two Ice Miller Attorneys Named to the Best Lawyers in America List
- 2/27/2012 - Ice Miller LLP Announces Sixty-Seven Attorneys Named in Indiana Super Lawyers

### Speaking Engagements

- She is a frequent writer and speaker on public plan issues. She recently presented in the following: "Federal Legal Developments" – P2F2 Annual Conference – October 2014; "Let's Make a Deal" – NAPPA Conference – June 2014; "Federal Legal Developments" – P2F2 Annual Conference – October 2013; "Federal Tax Updates" – SACRS Roundtable – May 15, 2013; "Professional Development" – Association of Public Pension Fund Auditors – May 8, 2013; "Federal Issues for Governmental Plans," National Council on Teacher Retirement, October 2012; "Federal Legal Developments," P2F2 Annual Conference, October 2012; "Governmental Plans Tax Update," National Council on Teacher Retirement, October 2011; "Legal Perspective," American College of Bond Counsel, October 2011; "Governmental Plans Tax Update," P2F2 Annual Conference, October 2011; "Governmental Plans Tax Update," National Council on Teacher Retirement, October 2010; "Governmental Plans Health Update 2010/2011 Legal Activity," P2F2 Annual Conference, September 2010; "Governmental Plans Tax Update," P2F2 Annual Conference, September 2010, "Tax Panel, Part 1: Operational Compliance Reviews," P2F2 Annual Conference, October 2009; "Tax Panel, Part 2: IRS Compliance Update," P2F2 Annual Conference, October 2009; "Legal Update for Governmental Plans," National Council on Teacher Retirement, October 2009; "Update on PPA Provisions Affecting Distributions from Governmental Plans," ALI-ABA Course of Study: Retirement, Deferred Compensation, and Welfare Plans for Tax-Exempt and Governmental Employers, Sept. 11, 2009; "Governmental Plans and IRS Compliance," P2F2 Conference, October 2008; "Update on Legal Issues Affecting Public Plans," National Council on Teacher Retirement, October 2008; "Revenue, Expenses, and Disclosure," National Association of Government Defined Contribution Administrators, September 2008; Moderated at the National Association of Public Pension Attorneys Conference, June 2008; "Compliance Countdown for 403(b) and Governmental 457(b) Plans," Great Lakes Benefits Conference, April 2008; "Implementing a Domestic Partner Benefits Policy," 2007 Winter Edition Human Resources 2008, Answers to Your Top 25 Question; "Legislative/Regulatory Developments In The Public Sector," 53rd Annual Employee Benefits Conference (International Foundation of Employee Benefit Plans), November 2007; "Developing An Approach To Funding Retiree Health Benefits: One Size Does Not Fit All," National Education Association Retirement Benefits Forum, November 2007; "Governmental Plans Legal Update – Selected Regulatory Developments," National Council on Teacher Retirement, October 2007; "Current Regulatory Overview – GASB Standards 43/45 – Funding for Retiree Health Care" – National Association of Government Defined Contribution Administrators, September 2007; "Pension Protection Act of 2006 Workshop," Municipal Law XXIV, June 21, 2007; "Current Benefit Issues," Panel, NAPPA Annual Conference, June 2007; "GASB Statement 45," Public Employee Forum (NCPERS, International Association of Fire Fighters and American Federation of Teachers), Washington, D.C., February 7, 2007; "Update on Legal Issues Affecting Public Plans," National Council on Teacher Retirement, Austin, Texas, October 2006; "Current Regulatory Requirements for Employee Health Expense Accounts – HRAs and HSAs," National Association of Government Defined Contribution Administrators, September 2006; "Federal Regulatory Update," NCTR Annual Conference, October 2005; "Selected Federal Regulatory Developments for Governmental Plans," NAPPA Annual Conference, June 2005; "Plan Assets - A Moving Target?," NAPPA Annual Conference, June 2004; "Advanced Tax Workshop," NAPPA Annual Conference, June 2003; "The Changing Landscape of the Way We View Retirement – Early Retirement Incentives," NAPPA Annual Conference, June 2003; "403(b) Plan Update," and "Governmental

Plan 457 Proposed Regulations,” IRS Leadership Conference, Chicago, Ill., October 24, 2002;  
“Governmental Plan 457 Proposed Regulations,” Public Safety Employees Pension and Benefits  
Conference, Palm Springs, Cal., Oct. 21-23, 2002.

### **Awards and Recognitions**

- *The Best Lawyers® in America*, Employee Benefits Law, 1989-2014, 2016
- *Martindale-Hubbell Bar Register of Preeminent Lawyers*, 2004-2016
- *Indiana Super Lawyers*, 2004-2016

### **Memberships**

- Fellow, American College of Employee Benefits Counsel
- National Council on Teacher Retirement (NCTR)
- NCTR Corporation Advisory Committee
- National Association of Public Pension Attorneys (NAPPA)
- NAPPA Emeritus Board
- National Association of Government Defined Contribution Administrators
- Director, Eiteljorg Museum of Western Art
- Member, American Bar Association

## Matthew L. Fornshell

### Partner Columbus

Arena District 250 West Street, Suite 700 Columbus, OH 43215  
email matthew.fornshell@icemiller.com  
p 614-462-1061  
f 614-222-3692

assistant Peggy Richardson  
p 614-462-2335  
email Peggy.Richardson@icemiller.com



### Education

#### Undergraduate School

Bachelor of Business Administration, Ohio University 1990

#### Law School

Valparaiso University School of Law 1993

### Admissions

United States District Court - Eastern District of Michigan  
Ohio  
United States District Court - Northern District of Ohio  
United States District Court - Southern District of Ohio  
United States Court of Appeals for the Second Circuit  
United States Court of Appeals for the Sixth Circuit

### Overview

Matt Fornshell serves as the leader of two Ice Miller litigation practice areas: Securities Litigation and Regulation and Government Enforcement, Internal Investigations and Corporate Compliance. His practice focuses on representing clients in state and federal securities and regulation, antitrust investigations and confidential internal corporate investigations.

As the former Director of Enforcement for the Ohio Division of Securities, Matt has substantial experience representing clients in civil and administrative proceedings before the U.S. Securities and Exchange Commission, the U.S. Commodities Futures Trading Commission, the Financial Industry Regulatory Authority ("FINRA") and the Ohio Division of Securities. He also regularly represents clients in complex private securities litigation in state and federal courts. Matt is a frequent author and lecturer on securities regulatory issues. He is AV rated by Martindale-Hubbell and has been named one of the Best Lawyers in America in the area of Securities Law.

Matt previously served as an Alternate Board Member for the National White Collar Crime Center and as a member of the Enforcement Policy Group of the North American Securities Administrators Association.

Matt graduated from Ohio University cum laude with a Bachelor of Business Administration and received his juris doctorate from Valparaiso University School of Law in 1993.

### Reported and Representative Cases

- *U.S. v. Showa Corporation, 1:14-CR-044: Represent Showa Corporation in connection with a Department of Justice criminal antitrust investigation into the sale of certain pinion-assist power steering assemblies to Honda Motor Corp., Ltd. (2014).*



- *Myers, et al. v. Bedway Land and Minerals Company, et al., CVH -2012-0120: Defense of mineral rights owner in response to declaratory judgment and quiet title action under the Ohio Dormant Mineral Act. Summary judgment was awarded to the defendants on all claims. (2014).*
- *Schucht v. Bedway Land and Minerals Company, et al., CVH -2012-0010: Defense of mineral rights owner in response to declaratory judgment and quiet title action under the Ohio Dormant Mineral Act. Summary judgment was awarded to the defendants on all claims. (2014).*
- *Robert Coil: Defend Respondent in response to Ohio Division of Securities administrative action alleging a violation of the Ohio Securities Act (2013 - Present)*
- *Henkel v. Aschinger, et al. 167 Ohio Misc.2d 4, 2012 -Ohio-423, Shareholder derivative action initiated following announcement of merger. The Court dismissed the shareholders' claim in their entirety and the transaction closed as negotiated.*
- *Ramius Private Select Ltd., et al. v. Robert Daugherty, et al., Case No. 10-CV-742173 (2010 - Present).*
- *Represent hedge fund investors against issuer and executive of hedge fund alleging securities fraud, common law fraud, breach of contract, and other common law claims.*
- *Ramius Private Select, Ltd. v. Sacha Lainovic, et al., Case No. 12-CV-774615 (2012 - Present).*
- *Represent hedge fund investors in fraudulent conveyance claims against entities and individuals who were the recipients of fraudulent conveyances from the hedge fund.*
- *In Re Mark Pantenburg (2012).*
- *Represent registered representative and investment advisor representative in connection with Ohio Division of Securities enforcement action. Matter tried before an administrative hearing officer and awaiting decision. Status: Ongoing.*
- *University Estates, Inc., et al. v. City of Athens, Ohio, et al. (2009-2011).*
- *Represent City of Athens in connection with plaintiffs' Section 1983 claims relating to the development of a 650 acre mixed-use real estate development. Case dismissed in June 2011 with no liability to client.*
- *In Re Tribune Company Fraudulent Conveyance Litigation, Case No. 11-MD-2206 (2011-present).*
- *Represent numerous public pension funds in response to state law constructive and intentional fraudulent conveyance claims arising from the leveraged buy out of The Tribune Company and its subsequent bank bankruptcy. Serve on the defense Executive Committee for this complex multi-district litigation matter.*
- *In Re Lyondell Chemical Company Fraudulent Conveyance Litigation, Adv. Pro No. 10-05525 (2011 - Present).*
- *Represent numerous public pension funds in response to state law constructive and intentional fraudulent conveyance claims arising from the leveraged buy out of The Lyondell Chemical Company and its subsequent bank bankruptcy.*
- *Academic Imaging, LLC v. Soterion Corp. (2011-2012).*
- *Represent Soterion Corp. in response to allegations of conversion, breach of fiduciary duty, conversion and negligent misrepresentation in connection with sale of limited liability company membership interests. Status: Settled.*
- *Ohio Division of Securities Investigation,(2009-2010).*
- *Represented Wirehouse Broker Dealer in Ohio Division of Securities Investigation into the sale of auction rate securities. Status: No action taken.*
- *In re: Timothy Lofton (2009-2010).*

- *Represented Wirehouse Broker Dealer in Ohio Division of Securities Investigation and denial of license. Status: Client prevailed following an administrative trial and was awarded a securities license and no enforcement action taken.*
- *Ohio Police & Fire Pension Fund, et al. v. Standard & Poor's, Case No. 2:09-cv-1054 (2009-ongoing).*
- *Represented various public employee retirement funds against certain rating agencies in connection with the issuance of ratings in residential and commercial mortgage backed securities.*
- *In Re Abercrombie & Fitch Shareholder Derivative Litigation, Case No. 05-cv-0860 (2009).*
- *Defense of Abercrombie & Fitch board members in shareholder derivative litigation. Status: Case dismissed on Motion.*
- *In Re National Century Financial Enterprises Litigation (2008).*
- *Defense of former outside legal counsel in a \$2.5 billion securities fraud action regarding an Ohio healthcare finance company. The client was dismissed from the litigation upon the Court's granting of our motion to dismiss. This litigation was a complex MDL matter and represented the largest non-public securities fraud in the United States prior to the Madoff investigation.*
- *SEC v. Tab Keplinger (2008).*
- *Represented former CFO of a public company in an SEC investigation. Status: Settled.*
- *SEC Enforcement Investigation - Ohio Division of Securities(2008).*
- *Represented individual in an Ohio Division of Securities and SEC investigation involving the alleged sale of interests in real estate investments. Status: No action taken.*
- *In Re Brantley Capital Securities Litigation (2007).*
- *Represented former CFO of a public company in a securities fraud class action. Status: Settled.*
- *In Re ComScape Holding, Inc. (2006).*
- *Represented Chairman and CEO of telecommunications company in litigation against the company and individual board members regarding change of control issues. Status: Settled.*
- *Securities Regulatory Litigation (2006).*
- *Represented private Ohio real estate company and its founders in an enforcement investigation by the Ohio Division of Securities. Status: No action taken.*
- *In Re Blue Flame Energy Corp. (2006-2008).*
- *Represented the North American Securities Administration Association as an amicus filer in a securities regulatory matter.*
- *Securities Regulatory Defense (2006-2008).*
- *Represented issuer of securities during investigations being conducted by the Securities and Exchange Commission and the Ohio Division of Securities. Status: No action taken.*
- *Ohio Division of Securities v. Joanne Schneider, Case No. 04-cv-548887 (2005 to date).*
- *Served as receiver in a \$60 million securities fraud case initiated by the Ohio Division of Securities. As receiver, Fornshell managed a large and diverse business enterprise and liquidated more than \$30 Million in assets for the benefit of creditors.*
- *U.S. v. Derrick McKinley; SEC v. Derrick McKinley (February 2005).*
- *Defense of individual against insider trading allegations by the Securities and Exchange Commission and the U.S. Department of Justice. Status: Settled.*
- *CFTC v. Joseph Foley; U.S. v. Joseph Foley (September 2005-2007).*
- *Defense of individual against market manipulation allegations by the Commodity Futures Trading Commission and U.S. Department of Justice. Status: Settled.*
- *Securities Litigation (2004-2006).*
- *Represented client as a Claimant in an NASD securities fraud arbitration against an individual and registered broker/dealer. Status: Settled.*

- *Bergholtz Coal Holding Company v. Buckeye Industrial Mining Company, et al., 03CV001652 (2003-2006).*
- *Represented Bergholtz Coal Holding Company in mineral rights litigation involving the conversion of over 600 acres of coal rights. This matter was tried to judgment in favor of our client. Status: Closed - Judgment for client.*

### **Firm Publications**

- 4/4/2016 - Supreme Court Limits Government's Power to Freeze Assets
- 10/9/2015 - DOJ's Yates Memo
- 4/1/2015 - Venture Briefing: Preparing for the Phase 2 HIPAA Audits
- 3/25/2015 - Supreme Court Addresses Opinion Statements in Section 11 Claims
- 1/7/2015 - FINRA Announces 2015 Regulatory and Examination Priorities
- 6/24/2014 - Supreme Court Permits Defendants to Rebut the Presumption of Reliance for Class Actions for Securities Fraud but Declines to Overrule Fraud on the Market Theory
- 4/10/2014 - Supreme Court Rules that the Employees of Private Contractors Protected by SOX's Whistle-Blower Provision
- 4/10/2014 - Justices Seem Disinclined to Overturn Basic Fraud on the Market Presumption for Securities Class Actions
- 4/3/2014 - Securities and Exchange Commission Announces Self-Reporting Initiative for Issuers and Underwriters of Municipal Securities
- 11/21/2013 - High Court Accepts Review in Case Addressing "Basic" Reliance Presumption
- 11/21/2013 - SEC Assesses First-Ever Fine Against Municipal Bond Issuer
- 11/21/2013 - SEC Proposes New Crowdfunding Rules
- 11/21/2013 - SEC Staff Offers Guidance on Supervisory Liability for Compliance/Legal Personnel at Broker-Dealers
- 11/21/2013 - SEC Will Not Factor in Collateral Impacts in Determining Whether to Seek Admissions Despite Admissions Already Having Legal Side Effects
- 11/21/2013 - Supreme Court Hears Suit Regarding Whether Cases Arising out of Stanford's Ponzi Scheme Must be brought in Federal Court
- 10/4/2013 - SEC Approves Final Municipal Advisor Rule
- 9/17/2013 - Dueling, Bi-Coastal Lawsuits: The CFPB and Legal Support Firm Morgan Drexen Sued One Another On Opposite Ends of the Country, the CFPB Alleging Violations of the Telemarketing Sales Rule and UDAAP, and Morgan Drexen Challenging the Constitutionality of the CFPB
- 9/10/2013 - In First Suit Under Rule 38a-1, Ex-Executive Settles with SEC Over Allegations of Misleading CCO Over Trades
- 9/10/2013 - SEC Issues Alert on Investment Adviser Continuity Planning
- 9/10/2013 - Southern District of Ohio Allows Challenge to Merger
- 9/10/2013 - Supreme Court Dismisses Case Regarding Demand Futility
- 8/30/2013 - Court Holds Fund Can Be Liable for Obligations of Bankrupt Portfolio Company
- 8/14/2013 - Richard Cordray Confirmed at CFPB Director
- 8/14/2013 - SEC Accuses Miami of Misleading Bond Investors
- 8/14/2013 - SEC Announces New Rules for Hedge Fund Advertising
- 8/14/2013 - The SEC Adjusts its No Admit, No Deny Policy
- 8/14/2013 - Three Former UBS Bankers get Prison Terms for Muni-Bid Rigging
- 7/10/2013 - Citi Group Opt-Out Plaintiffs Reach Settlement

- 7/10/2013 - Florida City Settles SEC Allegations That it Misled Municipal Bond Investors; Demonstrates an Increased Focus upon Municipal Securities
- 7/10/2013 - SEC Head Revising SEC Policy of Permitting Settlements without Admitting Wrongdoing
- 7/10/2013 - Sixth Circuit: Knowledge of Wrongdoing Not Required for Section 11 Claims
- 7/10/2013 - White: SEC to Put More "Targeted Resources" into Accounting Fraud, Announces Concern about Lack of Resources to Examine Investment Advisers
- 7/8/2013 - Internal Investigations: Are you prepared?
- 5/23/2013 - House Legislation would authorize the SEC to Collect Fees from Investment Advisers
- 5/23/2013 - SEC Adopts Rules that Require Regulated Entities to Enact Programs to Detect Red Flags for Identity Theft
- 5/23/2013 - SEC Commissioner: Congress must Fix Adviser Exams
- 5/23/2013 - The SEC Charges City with Securities Fraud
- 5/15/2013 - Top 5 Actions to Master Before the Government Comes Knocking
- 4/15/2013 - Illinois Settles with SEC over Allegations of Misleading Investors regarding Pension Fund
- 4/15/2013 - Investment Adviser's Association told that SEC Enforcers Plan to Bring More Cases
- 4/15/2013 - SAC Capital Agrees to Pay \$616 Million to SEC in Largest Insider Trading Settlement
- 4/15/2013 - SEC Sets Rules for Companies Using Social Media to Announce Material Information
- 4/15/2013 - Second Circuit Hears Arguments on Judge's Rejection of SEC-Citigroup Settlement
- 9/5/2012 - Citigroup Announces Settlement; Opt-Out Period Begins
- 6/29/2012 - Eleventh Circuit Decision Holds that Limited Oral Misrepresentations Can Trump Contradictory Written Representations and Rise to the Level of 'Material'

### Published In

- Mentioned in Law360 Bankruptcy article on March 25, 2016 - "*2nd Circuit Says Tribune Creditors Can't Touch Stock Payouts*"
- "Protecting Your Company's Assets as Whiteblowing Rises," Co-author, *Litigation*, Fall 2015.
- "Rebirth of Aiding-and-Abetting Liability in Private Securities Litigation? -- Maybe," Co-author, *Securities Litigation Journal*, ABA Section of Litigation, Winter 2010.
- "'No Violation of Law' Legal Opinions: What They Really Mean," *BNA Securities Regulations & Law*, August 11, 2008.
- "Not So Fast: Preemption of State Securities Regulation," *Columbus Bar Lawyers Quarterly*, Summer 2007.
- "Securities Salespeople Beware: Ohio is Serious About Revoking Licenses," *Business First*, June 8, 2007.
- "Conducting Internal Investigations Requires Several Preliminary Steps," *Business First*, October 20, 2006.
- "Receiverships: An Important Tool for Securities Regulators," *Andrews Litigation Reporter: Securities Litigation and Regulation*, Volume 12, Issue 12, October 18 2006.
- "Government Regulations May Place Attorney-Client Privilege At Risk," *Business First*, August 2006.
- "Receiverships: An Important Tool for Securities Regulators," *Ohio Securities Bulletin*, Spring 2006.
- "SEC Regulation of Hedge Fund Advisers," *Cleveland Bar Journal*, January 2005.
- "New Legislation Tackles Viatical Settlements," *Ohio Securities Bulletin*, Issue 2000:4.

### Ice Miller News

- 12/4/2015 - Protecting Your Company's Assets as Whistleblowing Rises
- 8/17/2015 - 118 Ice Miller Attorneys listed in The Best Lawyers® in America 2016
- 12/16/2014 - Indiana Compliance Officers Roundtable on 'Cybersecurity: The New Business Priority' Recap
- 8/18/2014 - 112 Ice Miller Attorneys listed in The Best Lawyers in America© 2015
- 5/30/2014 - Indiana Compliance Officers Roundtable Spring Event Recap
- 8/16/2013 - 118 Ice Miller Attorneys Named to Best Lawyers in America List
- 9/10/2012 - One-Hundred Twenty-Two Ice Miller Attorneys Named to the Best Lawyers in America List

### Speaking Engagements

- "Best Supporting Actor: How to Assist Your Board in Fulfilling its Fiduciary Duties," Ice Miller CLE Forum for In-House Counsel, Columbus, Ohio - Dec. 1, 2014
- "Preparing for and Responding to a Governmental Investigation," Ice Miller CLE Forum for In-House Counsel, Columbus, Ohio - Dec. 4, 2014
- "SEC Reform and Enforcement Priorities," National Conference on Public Employee Retirement Systems, 2012 Annual Conference, May, 2012
- Masters Series on Alternative Fee Arrangements - *Panel Member*, Columbus Bar Association, Sept. 11, 2009
- "Surviving State and Federal RIA Regulation: A Look at Regulatory Audits, Compliance Programs and Recent Developments," Co-presenter, SZD Securities and Litigation Breakfast Exchange, Nov. 15, 2007
- 2006 Ohio Securities Conference, October, 2006
- Columbus Bar Association's Securities Committee.
- Cleveland Securities Institute.
- North American Securities Administrators Association Attorney Training Program.
- National Association of Insurance Commissioners Annual Conference.
- Bowne's Annual Securities Conference.

### Awards and Recognitions

- *The Best Lawyers in America*, Securities Law, 2010-2016
- AV-Preeminent, Martindale-Hubbell, Peer Review Ratings

### Memberships

- Federal Bar Association - Member
- Columbus Bar Association - Member

### Community Involvement

- The Buckeye Ranch Foundation Board Member - Columbus, Ohio (2014-2015)
- All Saints Episcopal Church, Vestry Member - New Albany, Ohio

### Internal Committees

- Member of the Strategic Planning Committee

## **Robert L. Gauss**

### **Partner Indianapolis**

One American Square Suite 2900 Indianapolis, IN 46282-0200

email gauss@icemiller.com

p 317-236-2133

f 317-592-4668

assistant Cindy Worth

p 317-236-2310

email worth@icemiller.com



### **Education**

#### **Undergraduate School**

Bachelor of Arts, DePauw University 1990

#### **Law School**

Indiana University Robert H. McKinney School of Law 1993

### **Admissions**

Indiana

United States District Court - Northern District of Indiana

United States District Court - Southern District of Indiana

### **Overview**

Rob Gauss concentrates his practice in helping local and state governmental employers with employee benefit questions and concerns on matters of retirement, health and welfare benefits. This includes working with governmental pension plans across the country on tax, compliance, correction and fiduciary issues. During the IRS' recent Cycle C, Rob worked with clients in the submission of their determination letter requests. This work also included coordination with the IRS on pending submissions.

Rob brings a unique perspective to his practice as he also has significant trial experience, having conducted, or been involved in, multiple bench and jury trials in both state and federal courts, as well as commercial arbitrations. He also has tried various commercial matters, filing injunctions and restraining orders. Rob's trial experience started before he joined Ice Miller during his service with the United States Marine Corps where he obtained the rank of Captain. During his service as a Judge Advocate, Rob primarily served as a prosecutor and was involved in over 30 criminal trials, primarily as the first chair. Because of this experience, Rob is focused on problem solving with our clients.

An Indianapolis native, Rob received his Bachelor of Arts from DePauw University in 1990. He earned his Juris Doctorate from the Indiana University Robert H. McKinney School of Law in 1993, where he was a recipient of the Cale J. Holder Memorial Scholarship in 1992 and a member of the Order of the Barristers in 1993.

Rob enjoys serving in the Firm and in the community. From January 1, 2011 through 2014, Rob served as a Deputy Managing Partner of the Firm. He also has been the Chair of the Firm's Personnel Committee and of the Firm's Professional Development Committee. In these roles, Rob was involved in all aspects of the Firm's efforts and strategic planning involving diversity, recruiting, training, and mentoring. Throughout his career, Rob has been involved in community organizations whose missions also were personally important to him.

He is admitted to practice law in the State of Indiana, but is representing governmental entities and retirement plans around the country.

### **Firm Publications**

- 2/8/2016 - Developments on Normal Retirement Age Regulations for Governmental Plans
- 1/4/2016 - Governmental Plan Alert: Expiration Dates on Pre-2016 Determination Letters No Longer Operative
- 7/10/2015 - Governmental Plans: Moving Forward After the Obergefell Decision
- 6/10/2015 - New Law Eases Tax Burden for Public Safety Officers
- 4/14/2015 - New IRS Guidance Revises EPCRS; Allows Flexibility Correcting Overpayments
- 1/23/2015 - BREAKING NEWS REGARDING THE PARTICIPATION OF CHARTER SCHOOLS IN GOVERNMENTAL PLANS
- 10/7/2014 - IRS Guidance Relaxes Allocation Rules Making After-Tax Rollovers Easier
- 6/20/2014 - GASB Proposes Sweeping Changes for Governments to Report OPEB
- 5/15/2014 - Health Insurance Premium Payments by Qualified Retirement Plans are Taxable
- 4/14/2014 - Governmental Plans Alert: IRS Issues Guidance Regarding Application Of The Windsor Decision To Qualified Retirement Plans
- 4/7/2014 - New Revenue Ruling Provides Safe Harbor Procedures for Rollover Contributions
- 3/20/2014 - NOTICE: FIVE-DAY WINDOW UNTIL MARCH 24 TO COMMENT ON PROPOSED SUBSCRIBER CONTRIBUTION FORM FOR ACCESS TO DEATH MASTER FILE
- 3/20/2014 - Now is the Time to Focus on In-Plan Roth Transfers
- 3/12/2014 - Governmental Plans Checkup: Mid-Year Compliance Review
- 3/6/2013 - IRS Has Issued Instructions for the 2013 Form 1099-R
- 2/21/2013 - Expansion of the Availability of In-Plan Roth Transfers
- 12/12/2012 - IRS Releases 2012 Cumulative List for Cycle C Filers

### **Published In**

Gauss co-published with NCPERS a Primer for Tax Administrators in Oct. 2014.

### **Ice Miller News**

- 2/15/2016 - Ice Miller Announces 53 Attorneys Named in 2016 Indiana Super Lawyers
- 8/17/2015 - 118 Ice Miller Attorneys listed in The Best Lawyers® in America 2016
- 2/13/2015 - Ice Miller Announces 54 Attorneys Named in 2015 Indiana Super Lawyers
- 8/18/2014 - 112 Ice Miller Attorneys listed in The Best Lawyers in America© 2015
- 2/12/2014 - Ice Miller Announces 54 Attorneys Named in 2014 Indiana Super Lawyers
- 8/16/2013 - 118 Ice Miller Attorneys Named to Best Lawyers in America List
- 2/14/2013 - Ice Miller Announces Sixty Six Attorneys Named in Indiana Super Lawyers
- 9/10/2012 - One-Hundred Twenty-Two Ice Miller Attorneys Named to the Best Lawyers in America List
- 2/27/2012 - Ice Miller LLP Announces Sixty-Seven Attorneys Named in Indiana Super Lawyers

### **Speaking Engagements**

- Gauss participated in a Panel Discussion regarding Litigation with Plan Sponsors and Members and specifically discussed compliance considerations regarding settlements and overpayment corrections at the NAPPA 2015 Winter Seminar, February 12, 2015.
- Gauss was a presenter at the NCPERS Public Safety Conference entitled "DROP Plans: Current IRS Concerns, Real-World Experiences and Insights on Sustainability", October, 2014.

- Gauss presented a webinar for NCPERS on Oct. 14, 2014 entitled "An Introduction to Qualification and Taxation Issues for Governmental Retirement Plans."
- Gauss was a presenter at the 2014 Northern Illinois Alliance of Fire Protection District 21st Annual Conference regarding "Qualified Plan Status for Article 3 and 4 Pension Funds".
- Gauss was a presenter for the Illinois Government Finance Officers Association's Payroll Webcast on Dec. 11, 2013 regarding tax reporting, employee classification and current IRS topics.
- Gauss has been a presenter at the 2013, 2014, and 2015 Illinois Public Pension Fund Association Midwest Pension Conferences regarding "Issues of Importance for Public Pension Plans".
- Gauss has presented at the Diversity in Practice Conference presented by the *Indiana Lawyer* and on issues regarding the practice of law for the Indianapolis Bar Association's Bar Leadership Series.
- Gauss participated in a panel discussion at the 2015 annual National Association of Governmental Defined Contribution Administrator's, Inc. conference regarding Regulatory Updates.

### **Awards and Recognitions**

- *The Best Lawyers® in America*, 2013-2016
- Super Lawyers, 2010-2015
- Cale J. Holder Memorial Scholarship, 1992
- Order of the Barristers, 1993
- Stanley K. Lacy Leadership Series Class XXVIII
- AV-Preeminent, Martindale-Hubbell, Peer Review Ratings

### **Memberships**

- Member, Indiana State Bar Association
- Member, Indianapolis Bar Association
- Member, American Bar Association

### **Community Involvement**

- American Red Cross Indiana Region, Board of Directors, (2012-present)
- Center for Leadership Development, Board of Directors, (2012-present)
- Heritage Place of Indianapolis, Board of Directors and Past President of the Board
- Indianapolis Bar Association, Homeless Project (2003-present)
- Marine Corps Scholarship Foundation, past member of local fundraising committee

### **Internal Committees**

- Deputy Managing Partner 2011-2014
- Chair, Professional Development Committee, 2005-2010
- Chair, Personnel Committee, 2008-2010
- Past Member, Summer Program Lawyers' Advisory Team, 3 Years



## **Christopher S. Sears**

### **Partner Indianapolis**

One American Square Suite 2900 Indianapolis, IN 46282-0200  
email christopher.sears@icemiller.com  
p 317-236-5891  
f 317-592-4755

assistant Diane Sweeney  
p 317-236-5801  
email diane.sweeney@icemiller.com



### **Education**

#### **Undergraduate School**

Bachelor of Arts in Political Science and History, Indiana University 1990

#### **Law School**

Indiana University Maurer School of Law 1994

### **Admissions**

Indiana  
United States District Court - Northern District of Indiana  
United States District Court - Southern District of Indiana  
The Supreme Court of Indiana  
United States Court of Appeals for the Seventh Circuit

### **Overview**

Christopher S. Sears is a Partner in the Employee Benefits Group at Ice Miller LLP. He concentrates his practice in the field of health care and employee benefits. He assists clients design and maintain health and retirement plans and other employee benefits. He also works with clients in their efforts to protect the privacy of health information pursuant to HIPAA and to share information through regional health information networks. He works with public and private employees, including governmental plans at all levels, hospitals, and other tax-exempt organizations.

Mr. Sears helps clients design employer-sponsored health plans and other benefits such as cafeteria plans, tuition reimbursement plans, long and short term disability plans, health reimbursement accounts, health savings accounts, and life insurance plans. He also helps them comply with myriad of laws that regulate these plans such as ERISA, the Internal Revenue Code, HIPAA, ADA, FMLA, and COBRA. Mr. Sears is currently focusing on the health reform requirements of the Patient Protection and Affordable Care Act and assisting clients in the compliance efforts. Chris also concentrates on laws regulating the privacy of health information. In particular, he works closely with both health plans and health care providers in their efforts to comply with the complex privacy rules of HIPAA, as well as state privacy laws. He also consults with clients to adopt, maintain and terminate their employee pension and retirement plans in compliance with the Internal Revenue Code and ERISA. In doing so, he assists clients with their 403(b) and 401(k) plans, defined benefit plans, and non-qualified deferred compensation arrangements (including those under Code Section 457(b)).

Chris is a frequent writer and speaker on employee benefit issues. He joined Ice Miller in 1994 after graduating from the Indiana University School of Law, Bloomington, cum laude. While attending the Indiana University School of Law, Chris was a member of the Indiana Law Journal. He did his undergraduate work at Indiana University, Bloomington, earning his bachelor of arts degree in political science and history in 1990. He is a former Chair of the Employee Benefits and Executive Compensation

Interest Group of the American Bar Association Health Law Section. He has also served as a member of the American Bar Association's Joint Committee on Employee Benefits from 2008-2013, and has been listed in The Best Lawyers in America (Employee Benefits) every year since 2009.

He is admitted to practice law in the state of Indiana.

### Reported and Representative Cases

- *Spangler, Jennings & Dougherty v. Indiana Insurance*, 729 N.E.2d 117 (Ind. 2000)
- *Wine-Settergren v. Lamey*, 716 N.E.2d 381 (Ind. 1999)

### Firm Publications

- 3/22/2016 - OCR's HIPAA Phase 2 Audits Are Here: Check Your Spam and Junk Folders
- 2/8/2016 - IRS Delays Enforcement Action Against Employers Offering Premium Reduction Arrangements in Connection with Student Health Coverage
- 1/4/2016 - Governmental Plan Alert: Expiration Dates on Pre-2016 Determination Letters No Longer Operative
- 12/29/2015 - IRS Extends Deadlines for 2015 Affordable Care Act Information Reporting
- 12/23/2015 - Cadillac Tax Delayed Until 2020
- 7/10/2015 - Governmental Plans: Moving Forward After the Obergefell Decision
- 7/10/2015 - The New Way Forward: Employer Considerations for Retirement Plan Administration Post Obergefell
- 6/26/2015 - Supreme Court Strikes Down Same-Sex Marriage Bans
- 6/25/2015 - The Affordable Care Act Lives On: The Supreme Court Maintains the Status Quo
- 5/11/2015 - HDHP and HSA Annual Limits Increase for 2016
- 5/6/2015 - Informed Employer: Wellness Program Check-Up, EEOC Finally Issues Proposed Rules
- 5/4/2015 - Wellness Program Check-up: EEOC Finally Issues Proposed Rules
- 4/1/2015 - Venture Briefing: Preparing for the Phase 2 HIPAA Audits
- 3/24/2015 - Preparing for the Phase 2 HIPAA Audits
- 3/12/2015 - Data Breach Response Quick Reference
- 2/24/2015 - If Legally Married Somewhere, Legally Married Everywhere Under the FMLA
- 10/9/2014 - U.S. Supreme Court Declines to Hear Same-Sex Marriage Appeals and Ninth Circuit Court of Appeals Adds to List of Marriage Equality States
- 7/24/2014 - Split Subsidy Decisions No Excuse to Delay ACA Preparation
- 6/17/2014 - IT'S THAT TIME AGAIN...PCORI FEES ARE DUE!
- 6/2/2014 - A Breach, or Not a Breach? If That Is the Question, Encryption May Be the Answer
- 4/29/2014 - HDHP and HSA Annual Limits Increase for 2015
- 4/16/2014 - Retirement Plans, Same-Sex Marriage and the Retroactive Application of Windsor
- 2/11/2014 - Treasury and IRS Issue Final Regulations on Employer Penalties and Provide New Relief
- 11/15/2013 - "Use-It-Or-Lose-Some-Of-It": The New FSA Carryover Rule
- 10/3/2013 - IRS Issues Notice 2013-61 Providing Streamlined Procedures to Correct Overpayment of Employment Taxes Post-*Windsor*
- 9/20/2013 - Health Reform Exchange Notices Deadline Approaching For Employers
- 9/20/2013 - Model Notices of Privacy Practices Available to Meet Fast Approaching Deadline
- 9/19/2013 - Health Reform Exchange Notices Deadline Approaching For Employers
- 8/30/2013 - IRS Releases Guidance on Same-Sex Spouses
- 7/10/2013 - IRS Makes Shared Responsibility Delay Official

- 7/3/2013 - Health Care Reform's Employer Penalties Delayed For a Year
- 6/19/2013 - DuPage County Regional Business Outlook is an Annual Can't-Miss Event
- 5/10/2013 - Wellness Plans, HSAs, HRAs and PPACA Employer Penalties: New Guidance Issued
- 1/23/2013 - HHS Issues HIPAA Final Omnibus Rule
- 7/9/2012 - SCOTUS Affordable Care Act
- 6/28/2012 - Supreme Court Rules to Uphold the Individual Mandate: The Affordable Care Act Survives
- 6/1/2012 - IRS Issues Guidance on 2013 Limit on Health Flexible Spending Arrangements
- 5/4/2012 - HDHP and HSA Annual Limits Increase in 2013
- 12/16/2011 - PPACA Employer Responsibilities for 2012:
- 10/14/2011 - IRS Postpones Effective Dates of Final and Proposed Regulations Relating to Interest Crediting Under Cash Balance and Other Hybrid Plans
- 9/29/2011 - New October 15 Deadline for Medicare Part D Notices
- 3/30/2011 - Departments Further Delay Enforcement of Certain Internal Claims and Appeals Procedures Under PPACA
- 10/14/2010 - Updated Summary of Health Care Reform for Employers
- 9/28/2010 - Small Business Jobs Act Impacts Retirement Plans
- 3/30/2010 - Summary of the Impact of Health Care Reform on Employers

#### Published In

- "Is There a Doctor In the House?" *Indianapolis Business Journal*, Feb. 4, 2008
- "The Indiana Network for Patient Care: A Case Study of a Successful Healthcare Data Sharing Agreement," American Bar Association Health Law Section *eSource*, September 2005
- "HIPAA is Here: Has Your County Started Yet?" *Indiana News 92*, March/April 2003
- "USERRA - Protecting Employees' Rights," *The Wyoming Banker*, January 2002
- "USERRA - Protecting Employees' Rights," *Hoosier Banker*, November 2002

#### Ice Miller News

- 8/17/2015 - 118 Ice Miller Attorneys listed in The Best Lawyers® in America 2016
- 7/20/2015 - The ACA lives on: Supreme Court maintains the status quo
- 8/18/2014 - 112 Ice Miller Attorneys listed in The Best Lawyers in America© 2015
- 8/18/2014 - 9 Ice Miller Attorneys named The Best Lawyers in America© 2015 "Lawyer of the Year"
- 5/15/2013 - More than 500 Attendees Gathered at the Fourth Annual DuPage County Regional Business Outlook Event
- 4/22/2013 - Chris Sears Quoted in Indianapolis Business Journal
- 9/10/2012 - One-Hundred Twenty-Two Ice Miller Attorneys Named to the Best Lawyers in America List

#### Speaking Engagements

- "Implementing the New Health Reform Law: What Governmental Employees Need to Know," 104th Government Finance Officers Association Annual Conference, June 8, 2010, "Health Care Reform: Impact on Employers and Benefits Plans," Indiana Chamber of Commerce, May 19, 2010, "What Will The Administration Do Through Regulation Now That Health Care Reform Has Passed," American Bar Association Joint Committee on Employee Benefits, 2010 Government Invitational Conference, April 8, 2010,

- "Administering the Family and Medical Leave Act Under the New Regulations," Continuation of Health Insurance and Other Benefits, March 5, 2010
- "Emerging Issues in Healthcare Law," American Bar Association Health Law Section's Conference, Feb. 18, 2010
- "Health Care Reform: Status of the Debate," Indiana Chamber of Commerce, Jan. 21, 2010
- Health Care Reform, Mechanical Contractors Association of American National Collective Bargaining Conference, Oct. 30, 2009
- "Legal Issues for Wellness Programs," Central Association of College and University Business Officers Conference, Oct. 5, 2009
- "The HITECH Act," Indiana Chamber of Commerce Webinar, Aug. 19, 2009
- "Retirement Incentives and Related Issues," Indiana Association of Cities and Towns MMI Conference, May 21, 2009
- "Breast Cancer Legal Advocacy Workshop," American Bar Association Health Law Section Council Annual Meeting, April 23, 2009
- "Using Deferred Compensation to Incent On-Call Coverage," American Bar Association Health Law Section Emerging Issues in Healthcare Law Conference, Feb. 18-20, 2009
- "Breast Cancer Legal Advocacy Workshop," American Bar Association Health Law Section Emerging Issues in Healthcare Law Conference, Feb. 18-20, 2009
- "Welfare Plan Hot Topics," Central Indiana Certified Employee Benefits Specialists Conference, Oct. 29, 2008
- "Breast Cancer Legal Advocacy Workshop" and "What Employers Need to Know About Implementing Employee Wellness Plans" and "New EEOC Regulations on Age Discrimination in Retiree Health Care," Health Law Section Emerging Issues in Healthcare Law Conference, Feb. 20-22, 2008
- "What Employers Need to Know About Implementing Employee Wellness Plans," Health Law Section Employee Benefits and Executive Compensation Interest Group Webinar, Jan. 15, 2008
- "The Pension Protection Act and Defined Contribution Plans -- What You Need To Do Now," Health Law Section Employee Benefits and Executive Compensation Interest Group Webinar, April 26, 2007
- "Advancing the Future of Healthcare Delivery: Access, Quality and Responsibility," Regenstrief Center Annual Conference, April 23-24, 2007
- "The Pension Protection Act and Defined Contribution Plans -- What You Need To Do Now (in 25 Minutes or Less)," Health Law Section Emerging Issues in Healthcare Law Conference, Feb. 21-23, 2007
- Moderator, "How Do Complex and Detailed Regulations Impact Benefits?" American Bar Association Joint Committee on Employee Benefits and American Law Institute on Certified Public Accounts, 2006 Government Invitational Conference, March 29-31, 2006
- "Medicare Part D: Where We Are So Far," American Bar Association Health Law Section Emerging Issues in Healthcare Law Conference, Feb. 22-24, 2006
- Moderator, "How Do Complex and Detailed Regulations Impact Benefits?" American Bar Association Joint Committee on Employee Benefits and American Law Institute on Certified Public Accounts, 2006 Government Invitational Conference, March 29-31, 2006
- "Indiana: At the HIE Crossroads of America," Regenstrief Institute, Foundation for eHealth Initiative and the Indiana Health Information Exchange, Nov. 16-17, 2005
- "Human Resource Association of Central Indiana Legislative Update," Feb. 17, 2005
- "The Perfect Storm of Legal Issues From the Interoperable Electronic Health Record," American Health Lawyers Association National Teleconference, Dec. 16, 2004

- "HIPAA Privacy Update and Security Rule for Employers and Health Plans," Indiana Benefits Conference, Sept. 14, 2004
- "Defined Contribution Alphabet Soup - HSAs, HRAs, FSAs & MSAs" and "Welfare Plan Roundtable," Church Plan Workshop, April 19-21, 2004
- "HIPAA Privacy: The Final Days Before Compliance," American Bar Association Joint Committee on Employee Benefits National Teleconference/Live Audio Webcast, March 2, 2004
- "Welfare Plan Hot Topics: HIPAA, Domestic Partners, Subrogation and COBRA Notices" Employee Benefits Seminar, Indiana Chamber of Commerce, Jan. 29, 2004
- "What's New With COBRA?" American Bar Association Joint Committee on Employee Benefits National Teleconference/Live Audio Webcast, October 16, 2003
- "HIPAA - Where are We Now?" 48th Annual Employee Benefits Conference, International Foundation of Employee Benefit Plans, Sept. 21-22, 2002
- "Overview of ERISA and General Compliance for Health Plans for Employers," Indiana Health Care Conference, Indiana Chamber of Commerce, Sept. 17, 2002
- "The Ice Miller HIPAA Series Phase II: Paving the Way for Privacy Officers," Aug. 28, 2002
- "Bradford-Scott/Ice Miller HIPAA Seminar," Oct. 18, 2002 and Aug. 21, 2002
- "The Ice Miller HIPAA Series Phase I: Compliance Roadmap," Ice Miller, June 28, 2002
- "HIPAA and Medical Record Privacy: Are You Ready for the New Rules?" Medical Educational Service, Inc., Feb. 15, 2002

### **Awards and Recognitions**

- *The Best Lawyers® in America*, Employee Benefits Law, 2009, 2010, 2016
- Outstanding Young Healthcare Lawyer, *Nightingale*, 2007

### **Memberships**

- Member, Joint Committee on Employee Benefits, American Bar Association
- Member, American Bar Association
- Member, Health Law Section, American Bar Association
- Member, American Health Lawyers Association
- Vice Chair, Employee Benefits and Executive Compensation Interest Group, Health Law Section, American Bar Association

### **Community Involvement**

- Chair, Board of Directors, Indiana Perinatal Network, Inc.

## Daniel R. Swetnam

### Partner Columbus

Arena District 250 West Street, Suite 700 Columbus, OH 43215  
email [daniel.swetnam@icemiller.com](mailto:daniel.swetnam@icemiller.com)  
p 614-462-2225  
f 614-224-3568

assistant Deborah Wolf  
p 614-462-2346  
email [deborah.wolf@icemiller.com](mailto:deborah.wolf@icemiller.com)



### Education

#### Undergraduate School

Bachelor of Arts, The Ohio State University 1979

#### Law School

University of Cincinnati College of Law 1982

### Admissions

United States District Court - Eastern District of Michigan  
Ohio  
United States District Court - Northern District of Ohio  
United States District Court - Southern District of Ohio  
The Supreme Court of the United States  
United States Court of Appeals for the Sixth Circuit

### Overview

Dan Swetnam is a partner at Ice Miller and focuses his practice on business restructuring and creditors' rights. He represents both debtors and creditors in bankruptcy and workout matters and has litigated plan confirmation issues, contract disputes, valuation issues, lease disputes, preference claims, motions for relief from stay and numerous other bankruptcy issues.

In addition, Dan's tried cases outside of bankruptcy include shareholder disputes, state and federal court receivership matters, trust disputes, contract disputes and other business related matters. He is a member of the American Bankruptcy Institute and has been honored by inclusion in the Bankruptcy Law section of The Best Lawyers in America for 14 years.

### Reported and Representative Cases

- Counsel to public retirement system in connection with Chapter 11 proceedings of participating nonprofit employer. Following a lengthy trial, the bankruptcy court held that the debtor is not a governmental unit (as defined in the Bankruptcy Code) and that the relationship between the employer and the retirement system is an executory contract which the debtor can reject. The bankruptcy court's decision is reported at [In re: Seven Counties Services, Inc.](#), 511 B.R. 431 (Bankr. W.D. Ky. 2014). The decision has been appealed.
- Represents over 20 separate public pension funds and public entities in fraudulent conveyance actions seeking to recover payments to selling shareholders arising out of the bankruptcy proceedings of Lyondell Chemical Co. and The Tribune Company. Successfully obtained dismissal of state law claims asserted in the Lyondell case against 15 of the funds on the basis of sovereign immunity.

- Lead counsel to receiver in three separate actions seeking foreclosure on large dairy farms. Implemented bidding process and sold three farms. Another farm negotiated resolution with lender.
- Lead counsel to district energy system, Akron Thermal, Limited Partnership. Successfully represented Debtor in motion to assume lease and plan of reorganization. Both matters were vigorously contested, with lengthy hearings including multiple experts. Following substantial consummation of plan, filed a second Chapter 11 proceeding and have addressed many issues in connection with the interplay between the two cases. Reported decisions in the case are at:
  1. *In re Akron Thermal, Limited Partnership*, 2009 WL 1707907 (N.D. Ohio, June 17, 2009)
  2. *In re Akron Thermal, Limited Partnership*, 414 B.R. 193 (N.D. Ohio, February 19, 2009)
  3. *In re Akron Thermal, Limited Partnership*, 2008 WL 1886171, 2008 Bankr. LEXIS 1358 (Bankr. N.D. Ohio, April 25, 2008)
- Lead counsel for lender in connection with defalcation of funds by a title agent. Successfully resolved numerous issues, including interpretation of a closing protection letter. Also litigated claims against separate bank under the Uniform Fiduciaries Act. *Nations Title Insurance Co. of New York, Inc. v. William H. Bertram, Jr.*, 140 Ohio App.3d 157 (2000), appeal dismissed, 91 Ohio St. 3d 1246 (2001)
- Successfully represented TennOhio Transportation Co., in prosecution of preference claim and served as lead counsel in five day trial. Case focused on valuation of collateral (140 vehicle fleet of trucks) and the ordinary course of business defense. *In re TennOhio Transportation Co.*, 269 B.R. 775 (Bankr. S.D. Ohio 2001) and *TennOhio Transportation Co. v. Navistar Financial Corp.* (*In re TennOhio Transportation Co.*), 269 B.R. 769 (Bankr. S.D. Ohio 2001)

#### **Other Representative Cases**

- Successfully represented lender in single asset limited partnership bankruptcy proceeding. Representation included successful challenge to confirmation in a three day confirmation hearing focusing upon feasibility of the debtor's proposed plan of reorganization. Confirmation was denied, relief from stay was granted and the lender was able to proceed with its state court foreclosure proceedings.
- Lead counsel in successful Chapter 11 reorganization of retail store chain with aggregate annual sales in excess of \$10,000,000. Issues in the case included analysis of business operations, treatment of leases and executory contracts, and presentation and confirmation of a plan of reorganization.
- Lead counsel in successful out of court workout of agricultural business with secured debt in excess of \$50,000,000. Project included negotiation and sale of business; negotiation of agreement with United States Environmental Protection Agency, Department of Justice and other government agencies; and negotiation and resolution with other creditor constituencies.
- Lead counsel to publicly traded national bank in shareholder derivative action and related lawsuits. Negotiated comprehensive resolution of the derivative claims and claims upon both a directors and officers' policy and fidelity bond.
- Co-counsel in prosecution of action to recover for the benefit of unsecured creditors alleged fraudulent transfer of assets in pre-bankruptcy acquisition of a competitor.
- Successfully represented manufacturer in toxic tort action. Plaintiffs had claimed exposure to various airborne emissions, and claimed to suffer from "multiple chemical sensitivities." Served as lead counsel in Daubert hearing leading to exclusion of evidence relating to "multiple chemical sensitivities."

### Firm Publications

- 9/7/2012 - What a Public Retirement System Should Consider if a Municipality Seeks Chapter 9 Bankruptcy Relief
- 8/28/2012 - Factors for a Public Retirement System to Consider if a Municipality Seeks Relief under Chapter 9 of the Bankruptcy Code

### Published In

- "What a Public Retirement System Should Consider if a Municipality Seeks Chapter 9 Bankruptcy Relief", *October 2012 Benefits Magazine (WEB exclusive)*, co-author
- "Factors for a Public Retirement System to Consider if a Municipality Seeks Relief under Chapter 9 of the Bankruptcy Code", *National Conference on Public Employee Retirement Systems, PERSist*, Summer 2012, co-author
- "Lien on me: Recent decisions affecting the appointment and authority of receivers," *Ohio Lawyer*, a publication of the Ohio State Bar Association, May 2011, co-author

### Ice Miller News

- 8/17/2015 - 118 Ice Miller Attorneys listed in The Best Lawyers® in America 2016
- 5/19/2015 - 32 Ice Miller Attorneys and 10 Practice Groups Ranked by Chambers USA
- 12/5/2014 - Ice Miller Announces 20 Attorneys Named in 2015 Ohio Super Lawyers
- 8/18/2014 - 112 Ice Miller Attorneys listed in The Best Lawyers in America© 2015
- 5/23/2014 - 32 Ice Miller Attorneys and Nine Practice Groups Ranked by Chambers USA
- 12/4/2013 - Ice Miller Announces 19 Attorneys Named in 2014 Ohio Super Lawyers
- 8/16/2013 - 118 Ice Miller Attorneys Named to Best Lawyers in America List
- 6/14/2013 - 35 Ice Miller Attorneys and 10 Practice Groups Ranked by Chambers USA
- 12/17/2012 - Ice Miller LLP Announces Thirty-Three Attorneys Named in Ohio Super Lawyers
- 9/10/2012 - One-Hundred Twenty-Two Ice Miller Attorneys Named to the Best Lawyers in America List
- 6/7/2012 - Ice Miller Ranked a Leading Law Firm in Indiana and Ohio by Chambers USA

### Speaking Engagements

- "Key Legal Challenges Facing Churches Today," Christian Legal Society, 2010, 2011
- Bankruptcy Law Institute, Columbus Bar Association, 2009

### Awards and Recognitions

- *Chambers USA* America's Leading Lawyers for Business - Bankruptcy/Restructuring, 2010-2015
- *The Best Lawyers in America*, Bankruptcy and Creditor-Debtor Rights Law, 2001-2016
- *Ohio Super Lawyers*, 2004-2008, 2013-2015
- *Super Lawyers, Corporate Counsel Edition®*, 2009, 2010
- Who's Who in American Law, 1993-Present
- AV-Preeminent, Martindale-Hubbell, Peer Review Ratings

### Memberships

- Member, Ohio State Bar Association
- Member, Columbus Bar Association
- Member, American Bankruptcy Institute



### **Community Involvement**

- Grace Brethren Church of Columbus, Deacon, 1993-Present, Finance Committee 2005-2011, and Counsel since the late 1980's
- Counsel to Worthington Christian Schools, Inc.
- Member, Judicial Liaison Committee, Bankruptcy Court, Southern District of Ohio (2014-16)

## **Lisa Erb Harrison**

### **Senior Counsel Indianapolis**

One American Square Suite 2900 Indianapolis, IN 46282-0200

email [lisa.harrison@icemiller.com](mailto:lisa.harrison@icemiller.com)

p 317-236-5806

f 317-592-4802

assistant Diane Sweeney

p 317-236-5801

email [diane.sweeney@icemiller.com](mailto:diane.sweeney@icemiller.com)



### **Education**

#### **Undergraduate School**

Bachelor of Arts in Political Science and History, Butler University 1989

#### **Law School**

Indiana University Maurer School of Law 1992

### **Admissions**

Indiana

United States Court of Appeals for the Seventh Circuit

### **Overview**

Lisa Erb Harrison's primary area of practice is employee benefits law with a concentration in local and state governmental employers. Her practice includes work with qualified plans, governmental deferred compensation plans, 403(b) plans and health benefits. Her public sector clients include state-wide defined benefit and defined contribution retirement systems, state governments, municipalities, school corporations and other public entities.

Lisa's practice includes work with:

- qualified defined benefit and defined contribution plans
- governmental 457(b) deferred compensation plans
- 403(b) plans
- health benefits

Her public sector clients include:

- state-wide defined benefit and defined contribution retirement systems
- state governments, municipalities and school corporations
- other public entities

Her practice includes work on a wide range of issues for governmental retirement plans, both defined benefit and defined contribution, including:

- plan design and documentation
- plan administration processes
- Internal Revenue Service operational compliance issues
- benefit taxation and reporting

She has experience in:

- IRS determination letter applications
- private letter ruling requests, including death and disability taxation pickup issues, and 115 retiree health trusts

- IRS (Employee Plans Compliance Resolution System) plan correction filings.

She works with several large governmental volume submitter plans, obtaining IRS approval of such plans.

She has also been a registered lobbyist in the state of Indiana and has worked with several governmental clients on legislative matters in the Indiana General Assembly.

Harrison, a native of Rensselaer, Ind., attended Butler University and received her Bachelor of Arts in political science and history in 1989, graduating summa cum laude, with highest honors. In 1992, she received her juris doctorate from Indiana University Maurer School of Law, graduating cum laude. While attending Indiana University Maurer School of Law, she served as managing editor for the Indiana Law Journal.

Before joining Ice Miller in November 1996, Harrison served as law clerk to the Hon. William I. Garrard, Judge of the Indiana Court of Appeals.

She is admitted to practice in the state of Indiana, in addition to the Court of Appeals for the 7th Circuit.

### **Firm Publications**

- 2/8/2016 - Developments on Normal Retirement Age Regulations for Governmental Plans
- 1/4/2016 - Governmental Plan Alert: Expiration Dates on Pre-2016 Determination Letters No Longer Operative
- 7/10/2015 - Governmental Plans: Moving Forward After the Obergefell Decision
- 6/10/2015 - New Law Eases Tax Burden for Public Safety Officers
- 4/14/2015 - New IRS Guidance Revises EPCRS; Allows Flexibility Correcting Overpayments
- 10/7/2014 - IRS Guidance Relaxes Allocation Rules Making After-Tax Rollovers Easier
- 6/20/2014 - GASB Proposes Sweeping Changes for Governments to Report OPEB
- 5/15/2014 - Health Insurance Premium Payments by Qualified Retirement Plans are Taxable
- 4/14/2014 - Governmental Plans Alert: IRS Issues Guidance Regarding Application Of The Windsor Decision To Qualified Retirement Plans
- 4/7/2014 - New Revenue Ruling Provides Safe Harbor Procedures for Rollover Contributions
- 3/20/2014 - NOTICE: FIVE-DAY WINDOW UNTIL MARCH 24 TO COMMENT ON PROPOSED SUBSCRIBER CONTRIBUTION FORM FOR ACCESS TO DEATH MASTER FILE
- 3/20/2014 - Now is the Time to Focus on In-Plan Roth Transfers
- 3/12/2014 - Governmental Plans Checkup: Mid-Year Compliance Review
- 3/6/2013 - IRS Has Issued Instructions for the 2013 Form 1099-R
- 2/21/2013 - Expansion of the Availability of In-Plan Roth Transfers
- 12/12/2012 - IRS Releases 2012 Cumulative List for Cycle C Filers
- 12/6/2012 - IRS Forum Will Discuss Relief on Plan Loan and Hardship Distribution Requirements for Hurricane Sandy Victims
- 11/26/2012 - IRS Allows Governmental Plan Sponsors to Elect Cycle E
- 11/2/2012 - The Importance of Proper Coding for Form 1099-R Reporting
- 4/18/2012 - Proposed Guidance Would Clarify How Normal Retirement Age Regulations Impact Governmental Pension Plans
- 2/20/2012 - New Opportunities for Governmental Plans to Discuss Important Guidance with IRS and Treasury
- 2/17/2012 - Mandatory Survey Requires Entities to Report Foreign Securities by March 2
- 2/8/2012 - Public Hearings Rescheduled to Discuss Important Governmental Plan Guidance
- 11/17/2011 - TIPRA Three Percent Withholding Regulations Repealed
- 11/7/2011 - Proposed Rules Would Provide Important Governmental Plan Guidance

- 6/7/2011 - After Cycle C/E – Now What?
- 3/4/2011 - Final FBAR Regulations Issued
- 12/21/2010 - IRS Expands Rules for Tax-Exempt Group Trusts
- 9/28/2010 - Small Business Jobs Act Impacts Retirement Plans

### **Speaking Engagements**

- "Are You Qualified?" National Association of Public Pension Attorneys, June 2015
- "Defined Contribution Plan Hot Topics," National Association of Public Pension Attorneys, June 2015
- "Group Trust Issues," National Association of Public Pension Attorneys, February 2014
- "Defined Contribution Plans - Alternative Structures and Default Investment Issues," National Association of Public Pension Attorneys, June 2013
- "Sheriff Pension Plans - Trends in Plan Changes," Indiana County Council Association, June 2012
- "Are You Qualified?" Protecting Your Plan's Tax Qualified Status," National Association of Public Pension Attorneys, June 2010
- "Taxation Issues for Qualified Governmental Plans and DROPS," International Foundation of Employee Benefit Plans, 2003

### **Awards and Recognitions**

- BV-Preeminent, Martindale-Hubbell, Peer Review Ratings

### **Memberships**

- Member, Indianapolis Bar Association
- Member, Indiana State Bar Association
- Member, National Association of Public Pension Attorneys
- Member, National Association of Government Defined Contribution Administrators
- Women in the Law Executive Committee, Indianapolis Bar Association

### **Community Involvement**

- Habitat for Humanity
- Corporate Fundraising, Indianapolis Zoo
- Corporate Fundraising, Indiana Repertory Theater
- Zionsville Youth Soccer Association

## **Shalina Ann Schaefer** **Of Counsel Indianapolis**

One American Square Suite 2900 Indianapolis, IN 46282-0200  
email shalina.schaefer@icemiller.com  
p 317-236-2302  
f 317-592-4711

assistant Diane Sweeney  
p 317-236-5801  
email diane.sweeney@icemiller.com



### **Education**

#### **Undergraduate School**

Bachelor of Arts, Political Science and History, University of Notre Dame 2005

#### **Law School**

Indiana University Maurer School of Law 2008

### **Admissions**

Indiana

### **Overview**

Shalina Schaefer concentrates her practice in employee benefits, with a primary focus on welfare benefit plans and qualified plans of for-profit entities. She works with regional and national clients on benefit issues, such as plan formation and design of qualified pension and welfare benefit plans; administrative, compliance and implementation advice; and general consulting regarding benefit matters, including advice regarding third-party provider agreements.

Most recently, Shalina has been advising clients on all aspects of the Patient Protection and Affordable Care Act that affect employee benefit plans, including new coverage mandates and reporting requirements, and the employer shared responsibility provisions that apply to large employers.

Shalina is originally from South Bend, Ind. She received her Bachelor of Arts in political science and history from the University of Notre Dame in 2005. She earned her juris doctor, magna cum laude, from Indiana University Maurer School of Law in 2008. While attending law school, Schaefer served as a notes and comments editor for the Indiana Law Journal.

She joined Ice Miller in September 2008 and is licensed to practice law in the state of Indiana.

### **Firm Publications**

- 7/24/2014 - Split Subsidy Decisions No Excuse to Delay ACA Preparation
- 2/11/2014 - Treasury and IRS Issue Final Regulations on Employer Penalties and Provide New Relief
- 11/15/2013 - "Use-It-Or-Lose-Some-Of-It": The New FSA Carryover Rule
- 9/20/2013 - Health Reform Exchange Notices Deadline Approaching For Employers
- 9/20/2013 - Model Notices of Privacy Practices Available to Meet Fast Approaching Deadline
- 9/19/2013 - Health Reform Exchange Notices Deadline Approaching For Employers
- 7/10/2013 - IRS Makes Shared Responsibility Delay Official
- 7/3/2013 - Health Care Reform's Employer Penalties Delayed For a Year

- 5/10/2013 - Wellness Plans, HSAs, HRAs and PPACA Employer Penalties: New Guidance Issued
- 6/1/2012 - IRS Issues Guidance on 2013 Limit on Health Flexible Spending Arrangements
- 12/16/2011 - PPACA Employer Responsibilities for 2012:
- 3/30/2011 - Departments Further Delay Enforcement of Certain Internal Claims and Appeals Procedures Under PPACA
- 10/14/2010 - Updated Summary of Health Care Reform for Employers
- 3/30/2010 - Summary of the Impact of Health Care Reform on Employers

### Published In

- *Indiana Law Journal*, Vol. 83
- *NAPPA Report* Vol. 24, No. 2, "Health Care Reform and Governmental Group Health Plans: The Initial Impact," Mary Beth Braitman, Terry A.M. Mumford, Shalina Schaefer, Tara Sciscoe and Christopher Sears
- "Covering the Kids: The Patient Protection and Affordable Care Act's Adult Child Coverage Mandate" *Health Care Law Monthly*, July 2011, Volume 2011, Issue No. 7

### Speaking Engagements

- "Preparing for 2014: Employer Responsibilities Under the Affordable Care Act" HR Indiana Annual Conference, Aug. 29, 2013, Sarah Funke and Shalina Schaefer
- "Health Care Reform: What Do Employers Need To Do To Comply Now?" Central Illinois Employers' Health Care Conference, Oct. 12, 2010, Christopher Sears and Shalina Schaefer
- "An Action Plan for 2011 Compliance," BNA Webinar, July 29, 2010, Tara Sciscoe, Christopher Sears and Shalina Schaefer
- "What Do You Need to Know About the Early Retiree Reinsurance Program?" Ice Miller Webinar, June 28, 2010, Tara Sciscoe, Christopher Sears and Shalina Schaefer
- "What Do You Need to Know About Health Care Reform?" Indiana Association of Cities and Towns, May 18, 2010, Mary Beth Braitman and Shalina Schaefer
- "Health Care Reform: Impact on Employers and Benefit Plans," Indianapolis Chamber of Commerce, April 29, 2010, Tara Sciscoe, Christopher Sears and Shalina Schaefer

### Memberships

- Member, Indiana Bar Association

### Community Involvement

- Board Member, Social Health Association of Indiana, Inc., 2011-2015

## **Austin Anderson**

### **Associate Indianapolis**

One American Square Suite 2900 Indianapolis, IN 46282-0200  
email [austin.anderson@icemiller.com](mailto:austin.anderson@icemiller.com)  
p 317-236-2240  
f 317-592-4244

assistant Diane Sweeney  
p 317-236-5801  
email [diane.sweeney@icemiller.com](mailto:diane.sweeney@icemiller.com)



### **Education**

#### **Undergraduate School**

Bachelor of Arts in Classics and Philosophy, University of Notre Dame 2011

#### **Graduate School**

Graduate Student-at-Large (GSAL) in Molecular Biology, University of Chicago 2012

#### **Law School**

University of Michigan Law School 2014

### **Overview**

Austin Anderson is an associate in Ice Miller's Employee Benefits Group. He advises both private and public employers in all aspects of the design and maintenance of health and retirement plans and other employee benefits. Austin works with clients to address the variety of federal law confronting large corporations, state and municipal retirement systems, and tax-exempt entities, providing guidance in such areas as administrative compliance, benefits maintenance through mergers and acquisitions, and employer responsibilities under the Patient Protection and Affordable Care Act.

Austin graduated from the University of Michigan Law School in 2014. During law school, Austin served as a judicial intern to the Honorable Laurie J. Michelson at the United States District Court for the Eastern District of Michigan. He also participated on a moot court team that won Best Brief at the National Cultural Heritage Law Moot Court Competition in Chicago, Illinois. While an undergraduate, Austin studied as a Glynn Scholar at the University of Notre Dame through a full merit scholarship from the Eli Lilly Endowment. He completed his Bachelor of Arts degree in classical languages and philosophy in 2011. Prior to law school, Austin studied molecular biology as a graduate student-at-large (GSAL) at the University of Chicago.

Austin is admitted to practice law in the state of Indiana.

## **Malaika K. Caldwell**

### **Associate Chicago**

200 W. Madison Street Suite 3500 Chicago, IL 60606-3417  
email malaika.caldwell@icemiller.com  
p 312-726-7147  
f 312-726-6280

assistant Paula Newton  
p 312-726-2506  
email paula.newton@icemiller.com



### **Education**

#### **Undergraduate School**

Bachelor of Science in human resources management with honors, Elmhurst College 2007

Master of Law with focus in employee benefits, The John Marshall Law School 2012

#### **Law School**

The John Marshall Law School 2011

### **Admissions**

Illinois  
Indiana

### **Overview**

Malaika Caldwell is an associate in the Firm's Employee Benefits Group and concentrates her practice in both public and private sector employee benefits, with a primary focus on governmental retirement 457 and 403(b) plans, health systems on federal tax questions, compliance with federal law, fiduciary issues and plan design innovations. She also advises clients on all aspects of the Patient Protection and Affordable Care Act that affect employee benefit plans, including new coverage mandates and reporting requirements.

Malaika has considerable experience in governmental compliance programs with the Internal Revenue Services and Department of Labor compliance divisions, having served as an Investigator with the DOL's Employee Benefit Security Administration. She has broad experience researching group health and welfare plans, and she regularly works with clients on a broad range of benefit issues, such as plan formation, design, administration and compliance counsel. Malaika also has experience reviewing plans with compliance with both federal and state same-sex marriage decisions issued by the U.S. Supreme Court.

Malaika received her Bachelors of Science in human resources management from Elmhurst College, in Elmhurst, Ill., in 2007. She earned her juris doctor, from John Marshall Law School in 2011 and a Masters of Law with a concentration in employee benefits in 2012. At John Marshall Law School she served as staff editor for Review of Intellectual Property Law (RIPL) and senior editor for the Southern Region of the National Black Law Students Association Law Journal.

Malaika joined Ice Miller in 2013. She is admitted to practice in the State of Illinois and the State of Indiana, but is representing governmental entities and retirement plans across the country.



### **Firm Publications**

- 2/8/2016 - Developments on Normal Retirement Age Regulations for Governmental Plans
- 1/4/2016 - Governmental Plan Alert: Expiration Dates on Pre-2016 Determination Letters No Longer Operative
- 7/10/2015 - Governmental Plans: Moving Forward After the Obergefell Decision
- 6/10/2015 - New Law Eases Tax Burden for Public Safety Officers
- 4/14/2015 - New IRS Guidance Revises EPCRS; Allows Flexibility Correcting Overpayments
- 10/7/2014 - IRS Guidance Relaxes Allocation Rules Making After-Tax Rollovers Easier
- 6/20/2014 - GASB Proposes Sweeping Changes for Governments to Report OPEB
- 5/15/2014 - Health Insurance Premium Payments by Qualified Retirement Plans are Taxable
- 4/14/2014 - Governmental Plans Alert: IRS Issues Guidance Regarding Application Of The Windsor Decision To Qualified Retirement Plans
- 4/7/2014 - New Revenue Ruling Provides Safe Harbor Procedures for Rollover Contributions
- 3/20/2014 - NOTICE: FIVE-DAY WINDOW UNTIL MARCH 24 TO COMMENT ON PROPOSED SUBSCRIBER CONTRIBUTION FORM FOR ACCESS TO DEATH MASTER FILE
- 3/20/2014 - Now is the Time to Focus on In-Plan Roth Transfers
- 3/12/2014 - Governmental Plans Checkup: Mid-Year Compliance Review

### **Published In**

- 401(k) Fiduciary Duties: Continuum of Ambiguities, Illinois State Bar Association, 2009
- Plan Fiduciaries Can Right Some Wrongs, TaxEB InBrief, 2012

### **Speaking Engagements**

- 03/18/2015 - An Insider's Perspective on the DOL Audit for LHD Benefits
- 06/04/2014 - Contractor vs. Employee: Avoiding Misclassifications and the Impact on Employee Benefits for Indianapolis Bar Association

### **Memberships**

- Member, Illinois State Bar
- Member, Chicago Bar Association
- Member, Black Women Lawyers' Association
- Member, Illinois State Bar Association

### **Community Involvement**

- Board of Directors Member, Aftercare for Indiana through Mentoring (AIM)
- Auxillary Board Member, WOMEN DIVINE

## Taretta Shine

### Paralegal Chicago

200 W. Madison Street Suite 3500 Chicago, IL 60606-3417  
email taretta.shine@icemiller.com  
p 312-726-7143  
f 312-726-8147

assistant Madge Clark  
p 317-221-2872  
email Madge.Clark@icemiller.com



### Education

#### Undergraduate School

Bachelor of Arts, Bradley University 1994

### Overview

Taretta Shine is a paralegal with Ice Miller's Employee Benefits Group. Her areas of concentration include design and implementation of welfare benefit plans and qualified retirement plans; preparation of plan documents and summary plan descriptions compliance with recent legislation and regulations; and conducting legal research for clients regarding plan administration issues.

Her additional notable experience includes:

- Preparing annual tax filings
- Preparing IRS determination letter submissions and Private Letter Ruling requests for qualification of retirement plans
- Preparing, reviewing, and revising health plans and Summaries of Benefits and Coverage to ensure compliance with the Patient Protection and Affordable Care Act
- Preparing employee communication materials and benefits news alerts summarizing legislative and regulatory updates

Taretta has more than 20 years' experience in the health care, insurance and employee benefits fields. Originally from the Chicago area, she began her employee benefits career as an employee benefits intern with Motorola Inc. from 1992-1994. She gained additional employee benefits experience as an underwriter for the health insurance company United HealthCare and the property/casualty insurance company Hartford Steam Boiler Insurance Company. After obtaining her paralegal certificate, Taretta worked as a benefits compliance paralegal for CNA Insurance from 1996-1999 and then for First Health until 2001.

While living in the Chicago area, Taretta was a member of the Illinois Paralegal Association. She also volunteered as a tutor for the non-profit agency Literacy Chicago where she taught English as a second language.

Taretta earned a Bachelor of Arts in political science from Bradley University in 1994. In addition, she earned a paralegal certificate from the American Institute of Paralegal Studies in 1996.

Taretta is the proud mother of twin toddlers Benjamin and Saraya who she raises with her husband Rob. She has no free time right now (did we mention she has twin toddlers?), but she anticipates that in the next decade, she'll be able to enjoy her hobbies again of volunteering, reading suspense novels and traveling to Costa Rica.

Shine joined Ice Miller in April 2001.

Taretta Shine is not licensed to practice law in any state and does not provide legal services.

### **Memberships**

- Paralegal Certificate, American Institute for Paralegal Studies

**Gregory D. Wolf**  
**Paralegal Indianapolis**

One American Square Suite 2900 Indianapolis, IN 46282-0200  
email gregory.wolf@icemiller.com  
p 317-236-2201  
f 317-592-4279

assistant Madge Clark  
p 317-221-2872  
email madge.clark@icemiller.com



**Education**

**Undergraduate School**

Bachelor of Science in Legal Administration, Ball State University 1992

**Law School**

Indiana University Robert H. McKinney School of Law 2004

**Admissions**

Indiana

**Overview**

Greg Wolf, a paralegal in the Employee Benefits Group, primarily works with the employee benefit programs of public sector clients, including retirement systems, school corporations and universities.

Greg focuses on qualified retirement plans, 403(b) plans and 457 plans. He has significant experience in preparing IRS filings for qualification determinations for governmental plans, as well as private letter ruling requests.

He joined Ice Miller in December 1997. From 1994-1997 he worked in Indiana local government handling tax assessments with regard to business and personal property. He has worked with governmental plans since that time. Greg assists in the preparation of the semi-annual Ice Miller "Regulatory Update for Governmental Plans."

He is originally from Fort Wayne, Ind., and received his Bachelor of Science in legal administration from Ball State University in 1992. He received his juris doctorate from Indiana University School of Law-Indianapolis in 2004.

## APPENDIX B

### REPRESENTATIVE PUBLIC FUND CLIENTS FOR EMPLOYEE BENEFITS GROUP

This list below reflects a representative list of the current public fund clients for whom the Employee Benefits Group provides services as tax and/or employee benefits counsel. The Employee Benefits Group has also completed a variety of other specific assignments for other public funds over the years. The "Types of Programs Offered" column was completed based only on the significant types of services Ice Miller provides to the Plan/Program.

Representative Clients	Contact Name, Title, Address and Phone Number	Types of Programs Offered	Nature of Work	Attorneys Working on File <sup>1</sup>
Alaska Retirement Systems	Kathleen Lea Retirement Benefit Manager Alaska Department of Administration – Division of Retirement & Benefits P O Box 110300 Juneau, AK 99811-0300 907-465-3226	DB Plans, Hybrid Plan, DC Plan, Group Health Insurance Plans and Group Life Insurance Plans, Health Care Trust	Plan qualification, HRAs, domestic partner issues, hybrid plans; determination letter filings; wellness program and incentive; fringe benefit and reimbursement taxation; private letter ruling filings; Affordable Care Act consulting; health plan compliance	MBB
Boston Retirement Board	Jonathan Lucas Controller Boston Retirement Board Boston City Hall Room 816 Boston, MA 02201 (617) 635-0776	DB Plan	Determination letter filings, 403(b); Form 1099-R reporting	MBB MC LEH

<sup>1</sup> MBB=Braitman, MC=Malaika Caldwell; RLG=Gauss, LEH=Harrison

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Cincinnati Employees Retirement System	Paula Tilsley Executive Director Cincinnati Retirement System 801 Plum Street, Room 240 Cincinnati, OH 45202 (513) 352-6296	DB Plan, 401(h) Account	Determination letter filings; accrued benefits analysis; plan drafting for benefit redesigns; ongoing plan compliance	LEH
Coalition for Qualified Plan Status	Allison R. Barrett c/o Lauterbach & Amen, LLP Certified Public Accountants 27W457 Warrenville Road Warrenville, IL 60555 630-393-1483	DB Plans	Determination letter filings	MBB RLG
Colorado Fire and Police Pension Association	Kevin Lindahl General Counsel 5290 DTC Parkway, Suite 100 Greenwood Village, CO 80111 303-770-3772	DB Plan, Hybrid Plan, DC Plan	Establishment of Hybrid Plan and 401(h) account; determination letter filings; private letter ruling filing	MBB MC RLG
Contra Costa County Employees' Retirement Association	Karen Levy General Counsel 1355 Willow Way, Ste. 221 Concord, CA 94520 925-521-3960	DB Plan, Group Health Insurance Plans	Plan compliance; public safety officer income exclusion; analysis of normal retirement age definition; retiree health issues; determination letter filings	MBB
Delaware Public Employees' Retirement System	Ann Marie Johnson Deputy Attorney General State of Delaware 820 N. French St., 6 <sup>th</sup> Floor Wilmington, DE 19801 302-577-8423	DB Plan, Health Care Trust, DC Plan	Plan compliance; OPEB issues; determination letter filings; private letter ruling filings	MBB LEH

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Delaware Treasurer's Office	Michael G. Green Financial Investment Program Manager Delaware State Treasury 820 Silver Lake Blvd., Suite 100, Dover, DE 19904 302-672-6704	DB Plan, 403(b) Plan, 457(b) Plan	Plan compliance; determination letter filing; operational compliance	MBB MC
El Paso Fire and Policemen's Pension Fund	Robert J. Stanton Executive Director 909 East San Antonio Avenue El Paso, TX 79901-2523	DB Plan	Plan compliance; determination letter filing	MBB MC RLG
City of Fresno Employees Retirement Board  City of Fresno Fire and Police Retirement Board	Stanley McDivitt Retirement Administrator City of Fresno Retirement Systems 2828 Fresno Street, Suite 201 Fresno, CA 93721-1327 559-621-7080	DB Plans	Plan compliance; determination letter filings; IT projects	MBB RLG
Georgia Municipal Employees' Benefit System	Gwin Hall Senior Associate Legal Counsel 201 Pryor Street, SW Atlanta, GA 30303 678-686-6212	DB Plan, DC Plan, 457 Deferred Compensation Plan, Health Care Trust, Group Health Insurance	Establishment of volume submitter DB and DC plans; establishment of 457 plan; opinion letter filings; private letter ruling filings; ongoing plan compliance	MBB LEH

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
City of Homestead General Employees' Retirement System Plan	Ronald J. Cohen, Esq. Rice Pugatch Robinson & Schiller, P.A. 101 N.E. Third Avenue, Suite 1800 Fort Lauderdale, FL 33301 (954) 462-8000	DB Plan	Determination letter filings	LEH
Illinois Department of Insurance, Pension Division	Scott Brandt Illinois Department of Insurance, Pension Division 320 West Washington Street Springfield, IL 62767-0001 (217) 785-7410	DB Plans	Determination letter filings for police and fire plans across state	MBB RLG
Illinois Municipal Retirement Fund	Kathleen O'Brien General Counsel 2211 York Road, Suite 500 Oak Brook, IL 60523-2374 630-368-5352	DB Plan	Plan compliance, determination letter filings, private letter ruling filings	MBB MC
Indiana State Police Retirement System	Charles R. Sorrells Captain Indiana Government Ctr. N., N340 100 North Senate Avenue Indianapolis, IN 46204 317-232-6265	DB Plan, Group Health Insurance Plan, Group Life Insurance Plans, Duty Disability Benefits, 401(h) Account	Plan compliance; determination letter filings; health care funding; DROP design; legislative drafting; regulatory drafting; plan preparation; board briefings; legislative testimony; HIPAA privacy and security; private letter ruling filing	MBB LEH



<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Indiana Public Retirement System	Anthony Green Chief Legal and Compliance Officer 1 North Capitol, Suite 001 Indianapolis, IN 46204 317-234-7319	DB Plan, DC Plan, Group Health Insurance Plan	Plan compliance; determination letter filings; private letter ruling filings; legislative drafting; regulatory drafting; investment policies; alternative investments; board briefings; legislative testimony; governance restructuring	MBB LEH
Iowa Public Employees' Retirement System	Gregg A. Schochenmaier General Counsel; Manager, Legal & Communications 7401 Register Drive P.O. Box 9117 Des Moines, IA 50306-9117 515-281-0054	DB Plan, Duty Disability Benefits	Plan compliance; determination letter filings; private letter ruling filings; legislative drafting; regulatory drafting; board briefings; governance analysis; plan assessment appeals; cafeteria plan requirements; accrued benefits analysis	MBB RLG
City of Kalamazoo Retirement System	Thomas C. Skrobola Director of Management Services/CFO City of Kalamazoo 241 W. South Street Kalamazoo, MI 49007 269-337-8468	DB Plan, 401(h) Account	Code compliance; 420 – qualified future transfer from 401(a) to 401(h) account; determination letter filings; private letter ruling filing; group trust filing	MBB
Kansas Public Employees Retirement System	Laurie McKinnon General Counsel Kansas Public Employees' Retirement System 611 S. Kansas Avenue Suite 100 Topeka, KS 66603-3803 (785) 296-6059	DB Plan	Plan compliance; determination letter filings; private letter ruling filings; legislative drafting; regulatory drafting; board briefings; legislative testimony; UBIT analysis; accrued benefits analysis; drafting and implementation of cash balance plan	MBB RLG

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Kentucky Retirement Systems	William Thielen Executive Director Perimeter Park West 1260 Louisville Road Frankfort, KY 40601-6124 (502) 696-8455	DB Plans, Group Health Insurance Plans, Duty Disability Benefits, Health Care Trust, 401(h) Account	Investment practices audit; governance audit; plan compliance; accrued benefits analysis; private letter ruling filings; consultation on GASB requirements; determination letter filings; COBRA compliance; Medicare Part D; legislative drafting; HRAs; HIPAA privacy and security; vendor contracting; bankruptcy	MBB RLG
Kentucky Teachers' Retirement System	J. Eric Wampler Deputy Executive Secretary Finance and Administration 479 Versailles Road Frankfort, KY 40601-3800 (502) 848-8505	DB Plan, 401(h) Account, Group Health Insurance Plans	Compliance review; determination letter filings; fiduciary counsel; health plan issues; GASB implementation; alternative investments; private letter ruling filing	MBB RLG
City of Lincoln Police and Fire Pension	Paul Lutomski Police and Fire Pension Officer Lincoln-Lancaster County Personnel Department 555 South 10 <sup>th</sup> Street, Rm. 201 Lincoln, NE 68508 402-441-8749	DB Plan	Public safety officer income exclusion; DROP question; basis recovery on remainder refund; plan compliance; service purchases; determination letter filings	MBB
City of Los Angeles – LACERS, WPERP, LAFPP	Alan L. Manning Managing Asst. City Attorney 360 E. 2 <sup>nd</sup> Street, Suite 701 Los Angeles, CA 90012 (213) 978-4488	DB Plans, 401(h) Accounts, Death and Disability Funds, Health Care Plan	Code Compliance review for three plans; determination letter filings; analysis of applicability of HIPAA opt-out and retiree plan exception; assisted in analysis of eligibility for ERRP under the Affordable Care Act and extensive review and delivery of ERRP application; 415 compliance	MBB RLG

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Teachers' Retirement System of Louisiana	Ms. Maureen Westgard Director P.O. Box 94123 Baton Rouge, LA 70804-9123 225-354-6173	DB Plan, DC Plan	Private letter ruling on charter school status; determination letter filings	MKC
Maine Public Employees Retirement System	John Milazzo, Chief Deputy Executive Director and General Counsel 46 State House Station Augusta, ME 04333-0046 (207) 512-3105	DB Plans, DC Plan	Investment policy review; transition management and investment management contract negotiation and drafting; determination letter filings	MBB MC
Marin County Employees Retirement Association	Mr. Jeff Wickman Retirement Administrator One McInnis Parkway, Ste. 100 San Rafael, CA 94903-2764 415-473-3733	DB Plan	Determination letter filing; VCP filing; plan document review	MBB
Maryland, State Retirement and Pension System of	Rachel Cohen Principal Counsel 120 E. Baltimore St., 14th Fl. Baltimore, MD 21202-6704 410-625-5684	DB Plans, Health Care Trust	Internal Revenue Code Compliance; plan compliance; forms review; Form 1099-R compliance; legislative analysis; determination letter filings for 7 plans; private letter ruling filings	MBB
Massachusetts Office of the State Treasurer	David Lynch, Director, Deferred Compensation One Ashburton Place, 12th Flr Boston, MA 02108 617-367-3900, x320	Volume Submitter DC Plan, 401(a) DC Program, 457(b) Plan	DC Volume Submitter plan (for not-for-profit entities), 457 State Plan	MBB

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Massachusetts Public Employees' Retirement Administration Committee	John Parsons General Counsel 5 Middlesex Avenue, 3 <sup>rd</sup> Floor Somerville, MA 02145 (617) 666-4446, 904	DB Plans	IRS Compliance Program for 103 separate plans; determination letter filings for 103 separate plans; private letter ruling filing	MBB LEH
Massachusetts State Retirement Board	Nicola Favorito, Esq. Executive Director/Deputy Treasurer One Ashburton Place, Room 1219 Boston, MA 02108 (617) 367-7770, x337	DB Plan	Determination letter filings; private letter ruling filings	MBB LEH
Massachusetts Teachers' Retirement Board	James Salvie General Counsel One Charles Park, 2 <sup>nd</sup> Floor Cambridge, MA 02142-1206 617-679-6888	DB Plan	1099-R compliance; private letter ruling filings; member briefings; service purchase materials; determination letter filings	MBB LEH
Municipal Employees Retirement System of Michigan	Patricia J. Tarini General Counsel 1134 Municipal Way Lansing, MI 48917 517-703-9030	DC Plan, DB Plan, Group Health Insurance Plans, Employer Funded Reimbursement Accounts, Leave Conversion Credits, Health Care Trust	Plan compliance; determination letter filings; private letter ruling filings; establishment of 401(h) account; establishment of QEBA; establishment of volume submitter for Tribal Governmental and non-profit organizations; establishment of 501(c)(25) entity; work on health care programs	MBB RLG

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Minnesota Teachers Retirement Association	John Wicklund Assistant Executive Director Minnesota Teachers Retirement 60 Empire Drive, Ste. 400 St. Paul, MN 55103 651-296-2409	DB Plan	Determination letter filing; 415 testing	MBB LEH
Mississippi Public Employees' Retirement System	Jane L. Mapp Special Assistant Attorney General 429 Mississippi Street Jackson, MS 39201 601-359-3592	DB Plans, DC Plan, 457(b) Plan	Plan Compliance; determination letter filings	MBB MC
Montana Public Employees' Retirement Association	Melanie Symons Chief Legal Counsel 100 N. Park Ave., Suite 200 Helena, MT 59601 406-444-9174	DB Plans, DC Plan, 457(b) Plan, Group Trust	Plan compliance; determination letter filings; fiduciary training; private letter ruling filings; establishment of 457 plan and defined contribution plan; voluntary compliance filing with IRS; taxation disability project; group trust filing	MBB
Montana Teachers Retirement System	Shawn Graham Executive Director P.O. Box 200139 Helena, MT 59620-0139 406-444-3134	DB Plan	Plan compliance; determination letter filings; private letter ruling filing	MBB

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
New Jersey Division of Pensions and Benefits	Susan K. Fischer Esq. Assistant Attorney General New Jersey Department of Law and Public Safety Division of Law 25 Market Street P.O. Box 112 Trenton, NJ 08625-0112 (609) 292-1676	DB Plans, DC Plans	Plan compliance; determination letter filings for nine plans; operational compliance project; private letter ruling filing	MBB
New Mexico Public Employees' Retirement Association	Susan Pittard General Counsel 1120 Paseo De Peralta Santa Fe, NM 87501 505-827-4859	DB Plans	Plan compliance in specific subjects; determination letter filings	MBB LEH
City of New York Deferred Compensation Plan	Georgette Gestely Director, Employee Benefits 40 Rector Street, Third Floor New York, NY 10006 212-306-7760	DC Plans, 457 Deferred Compensation Plan, Deemed IRAs, 401(k) Plan, Group Trust	Draft custody agreements for 401(a) Plan, 401(k) Plan, 457 Plan, and deemed IRA program; plan compliance issues; plan restatement of 401(a) Plan and 401(k) Plan; Group Trust filing; determination letter filings; fiduciary issues; private letter ruling filing	MBB MC
Ohio Police and Fire Pension Fund	Mary Beth Foley General Counsel 140 East Town St., 7 <sup>th</sup> Flr. Columbus, OH 43215 614-628-8361	DB Plan, health trust	1099-R compliance; establishment of DROP plan; standardization of pick-ups; creation of health trust; plan compliance; determination letter filing; private letter ruling filings	RLG LEH

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Oklahoma Public Employees' Retirement System	Joseph Fox Executive Director P.O. Box 53007 Oklahoma City, OK 73152 405-858-6703	DB Plans, DC Plan, 457 Deferred Compensation Plan, 401(h) Account	Determination letter filings for 3 plans; private letter ruling filings; establishment of DC plan; establishment of 457 plan; plan compliance	MC RLG
Oklahoma Teachers' Retirement System	Tom Spencer Executive Director P O Box 53524 Oklahoma City, OK 73152 405-521-2387	DB Plan, 401(h) Account, 403(b) Plan	Determination letter filings; private letter ruling filings; administration of 403(b) plan	MBB LEH
Oregon Public Employees Retirement System	Steven P. Rodeman Executive Director 11410 SW 68 <sup>th</sup> Parkway P.O. Box 23700 Tigard, OR 97281-3700 503-603-7695	DB Plan, Hybrid Plan, 401(h) Account	Determination letter filings; consultation on hybrid plan design; 415 analysis; 401(a)(9) analysis; line-of-duty benefits; taxation issues	MBB
City of Pompano Beach General Employees' Retirement System Plan	Ronald J. Cohen, Esq. Rice Pugatch Robinson & Schiller, P.A. 101 N.E. Third Avenue, Suite 1800 Fort Lauderdale, FL 33301 (954) 462-8000	DB Plan	Determination letter filings	LEH

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
San Diego City Employees Retirement System	Johnny Tran General Counsel 401 West A St., Suite 400 San Diego, CA 92101 619-525-3644	DB Plans, Group Trust	Plan qualification issues; determination letter filings for 3 plans; private letter ruling filings; plan compliance; DROP design; excess benefit arrangement; Group Trust design for co-investment of 3 plans; spinout/separation of 3 plans; group trust filing	MBB RLG
San Francisco, City and County of	Katharine Porter Deputy City Attorney San Francisco Attorney General's Office City Hall, Room 234 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 415-554-4645	DB Plan	Plan Compliance; determination letter filings	MBB
San Francisco Retiree Health Care Trust Fund	Erik Rapoport General Counsel San Francisco City Attorney's Office 1390 Market Street San Francisco, CA 94103 415-554-3950	Retiree Health Care Trust Fund, 125 Plan	Retiree Health Care Trust Fund; 125 Cafeteria Plan; private letter ruling filing	MBB
City of San Jose	Ed Moran Assistant City Attorney Office of the City Attorney 200 East Santa Clara Street San Jose, CA 95113 408-535-1920	DB Plans, DC Plan, Retiree Health Care Trust Fund, 457(b) Plan	Plan Compliance; determination letter filings; private letter ruling filings	MBB LEH



<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
County of Santa Barbara	Anne Rierson Deputy County Counsel 105 East Anapamu St., Ste. 201 Santa Barbara, CA 93101 805-568-2950	DB Plan, Group Health Insurance Plan, 401(h) Account	Plan qualification issues; GASB 43/45 issue; determination letter filings	MBB
South Carolina Public Employee Benefit Authority	Peggy Boykin, CPA Executive Director 202 Arbor Lake Drive Columbia, SC 29223 803-737-8117	DB Plans, DC Plans, 457 Deferred Compensation Plan, Health Plan	Review optional retirement plan; review legislation; 401(k) plan issues; 457(b) plan issues; determination letter filings for 6 plans; fiduciary analysis; PPACA compliance; private letter ruling filings; group trust filing	MC RLG
Employees Retirement System of the City of St. Louis	Scott L. Harper Legal Counsel 1114 Market St., Suite 905 St. Louis, MO 63101 314-622-5739	DB Plan	Rollovers/transfers for service purchase; Code compliance; determination letter filings	MBB
City of Tampa Pension Fund for Firefighters & Police Officers	Tiffany Ernst Acting Administrator 3001 North Boulevard Tampa, FL 33603 (813) 274-8550	DB Plan	Determination letter filings	MBB LEH

Representative Clients	Contact Name, Title, Address and Phone Number	Types of Programs Offered	Nature of Work	Attorneys Working on File <sup>1</sup>
Tennessee Consolidated Retirement System	Christy A. Allen, Assistant Treasurer for Legal, Compliance and Audit Tennessee Department of Treasury 502 Deaderick Street 13th Floor, Andrew Jackson Bldg. Nashville, TN 37243-0201 (615) 253-3853	DB Plan, DC Plans	Plan compliance; determination letter filings; private letter ruling filings	RLG
Employees Retirement System of Texas	Paula A. Jones General Counsel and Chief Compliance Officer 18th & Brazos P.O. Box 13207 Austin, TX 78711-3207 (512) 867-7172	DB Plans, 401(k) Plan	Plan qualification; securities; determination letter filings	MBB RLG
Teacher Retirement System of Texas	Mary Chang Assistant General Counsel 1000 Red River Street Austin, TX 78701-2698 (512) 542-6417	DB Plan, Group Health Insurance Plans, Employer Funded Reimbursement Accounts	Plan qualification issues; 415 analysis; 401(a)(9) analysis; HRA and MSA programs; health care issues; IRS compliance regarding retirement and health plans; plan compliance; retiree health guidance; determination letter filings; Medicare Part D; HIPAA privacy and security; HDHP/HSA program	MBB

<b>Representative Clients</b>	<b>Contact Name, Title, Address and Phone Number</b>	<b>Types of Programs Offered</b>	<b>Nature of Work</b>	<b>Attorneys Working on File<sup>1</sup></b>
Utah Retirement Systems	Craige D. Stone Director, Defined Contribution Savings Plan 560 East 200 South Salt Lake City, UT 84102-2099 801-366-7412	457(b) Deferred Compensation Plan, 401(k) Plan	Consultation on 457(b) and 401(k) plan compliance; determination letter filings; private letter ruling filing	MBB MC
Washington Department of Retirement Systems	Anne Hall Senior Counsel Washington State Attorney General's Office 7141 Cleanwater Drive SW P.O. Box 40108 Olympia, WA 98504-0108 360-586-9037	DB Plans and DC Components	Determination letter filings for 11 plans, member briefings; 1099-R compliance; litigation support; compliance filing with IRS	MBB
Wichita Employees' Retirement System	Carla Palmer Interim Pension Manager 455 N. Main, 12 <sup>th</sup> Fl. Wichita, KS 67202 316-268-4544	DB Plans	Plan qualification issues; consultation on contracts; determination letter filings for 2 plans	MBB
Wisconsin Department of Employee Trust Funds	Mary Alice McGreevy Compliance Officer 801 W. Badger Road Post Office Box 7931 Madison, WI 53707-7931 (888) 533-5020 x72354	DB Plan	General compliance and plan qualification work; general compliance review; assistance with domestic partner benefits; QDRO issues; determination letter filings	MBB

**APPENDIX C**

**PRIVATE LETTER RULINGS ICE MILLER OBTAINED  
FOR GOVERNMENTAL PLANS**

<b>PLR NUMBER</b>	<b>DATE</b>	<b>ISSUE</b>
201546012	June 16, 2015	IRC 415(m) – QEBA – Excess Benefit Plan
201539030	June 22, 2015	IRC 415(m) – QEBA – Excess Benefit Plan
201537024	June 8, 2015	IRC 415(m) – QEBA – Excess Benefit Plan
201532036	May 4, 2015	IRC 401(k), 414(h), 415(c) and 3401(a) - Plan Choice Issues
201528004	April 6, 2015	IRC 106 – Tax Treatment of Contributions Made to a Retiree Health Trust Fund
201521009	February 9, 2015	IRC 104(a)(1) – Taxation of Accidental Disability Retirement Benefits Paid to Alternate Payees of Public Employees
201508001	November 7, 2014	457(e)(11) - length of service award plan
201443035	July 28, 2014	IRC 414(h)(2) – Pick-up Issues
201447061	July 17, 2014	IRC 415(m) – QEBA – Excess Benefit Plan
201441034	July 17, 2014	IRC 415(m) – QEBA – Excess Benefit Plan
201441033	July 17, 2014	IRC 415(m) – QEBA – Excess Benefit Plan
201441032	July 17, 2014	IRC 415(m) – QEBA – Excess Benefit Plan
201441003	July 9, 2014	IRC 115(1) – Governmental Trust
201352006	September 18, 2013	IRC 104(a)(1) – Taxation of Line-of-Duty Disability and Death Benefits
201347028	August 29, 2013	IRC 415(b)(2)(H) – Qualified Participant
201351001	July 17, 2013	IRC 457(b) – Governmental Deferred Compensation Plan
201347012	August 20, 2013	IRC 104(a)(1) – Taxation of Line-of-Duty Disability and Death Benefits

<b>PLR NUMBER</b>	<b>DATE</b>	<b>ISSUE</b>
201345020	August 6, 2013	IRC 106 – Contributions by Employer to Accident and Health Plans
201340005	June 26, 2013	IRC 104(a)(1) – Taxation of Line-of-Duty Disability and Death Benefits
201317007	April 3, 2012	IRC 104(a)(1) – Taxation of Line-of-Duty Disability and Supplemental Benefits
201315001	June 11, 2012	IRC 104(a)(1) – Taxation of Line-of-Duty Disability Benefits
201310026	December 10, 2012	IRC 115(1) – Governmental Trust
201225007	February 21, 2012	IRC 115(1) – Governmental Trust
201222018	February 28, 2012	IRC 115(1) – Governmental Trust
201219006	February 2, 2012	IRC 115(1) – Governmental Trust
201202012	October 5, 2011	IRC 115(1) – Governmental Trust
201146008	August 15, 2011	IRC 115(1) – Governmental Trust
201132029	May 18, 2011	IRC 415(m) – QEBA – Excess Benefit Plan
201132028	May 18, 2011	IRC 415(m) – QEBA – Excess Benefit Plan
201036028	June 24, 2010	IRC 415(m) – QEBA – Excess Benefit Plan
201036027	June 24, 2010	IRC 415(m) – QEBA – Excess Benefit Plan
201025038	March 22, 2010	IRC 104(a)(1) – Taxation of Line-of-Duty Disability and Supplemental Benefits
200940005	July 1, 2009	IRC 457 - Governmental Deferred Compensation Plan
200935016	May 22, 2009	IRC 457(b) – Governmental Deferred Compensation Plan
200933003	February 13, 2009	IRC 457(b) – Governmental Deferred Compensation Plan
200927023	April 1, 2009	IRC 457(e) – Length of Service Award Plan
200927016	March 25, 2009	IRC 457(b) – Governmental Deferred Compensation Plan

<b>PLR NUMBER</b>	<b>DATE</b>	<b>ISSUE</b>
200924035	March 4, 2009	IRC 115(1) – Captive Insurer
200925032	February 11, 2009	IRC 115(1) – Governmental Trust
200924015	February 11, 2009	IRC 115(1) – Governmental Trust
200918007	January 13, 2009	IRC 457(e)(11)(B) – Length of Service Awards Plan
200915022	December 9, 2008	IRC 115(1) – Governmental Trust
200908013	October 28, 2008	IRC 115(1) – Governmental Trust
200904033 200904035 200904036	October 28, 2008	IRC 415(m) – QEBA – Excess Benefit Plan
200841019	July 7, 2008	IRC 115(1) – Governmental Trust
200839032	June 9, 2008	IRC 104(a)(1) – Taxation of Line-of-Duty Disability Benefits
200828026	April 4, 2008	IRC 115(1) – Governmental Trust
200822019	February 21, 2008	IRC 115(1) – Governmental Trust
200814014	December 20, 2007	IRC 115(1) – Governmental Trust
200729036	April 25, 2007	IRC 72 – Trustee-to-Trustee Transfer of Assets
Not Found	August 11, 2006	IRC 414(h)(2) – Pick-up Issues
200643005	August 2, 2006	IRC 72 – Trustee-to-Trustee Transfer of Assets
200602006	October 13, 2005	IRC 106 – Contributions by Employer to Accident and Health Plans
200601046	October 11, 2005	IRC 72 – Trustee-to-Trustee Transfer of Assets
200550042	September 20, 2005	IRC 415(n) – Permissive Service Credit
200527023	April 12, 2005	IRC 414(h)(2) – Pick-up Issues
200521005	February 25, 2005	IRC 115(1) – Governmental Trust
200519022	February 7, 2005	IRC 457(b) – Governmental Deferred Compensation Plan

<b>PLR NUMBER</b>	<b>DATE</b>	<b>ISSUE</b>
200519021	February 7, 2005	IRC 457(b) – Governmental Deferred Compensation Plan
200519020	February 7, 2005	IRC 457(b) – Governmental Deferred Compensation Plan
200511028	December 22, 2004	IRC 72 – Basis Recovery on Lump Sum Payments
200418044	January 13, 2004	IRC 115(1) – Governmental Trust
200411048	December 15, 2003	IRC 415(m) – QEBA – Excess Benefit Plan
200411046	December 16, 2003	IRC 72 – Asset Transfers between Plans
200410024	December 11, 2003	IRC 415(m) – QEBA – Excess Benefit Plan
200329046	April 23, 2003	IRC 415(m) – QEBA – Excess Benefit Plan
200328043	April 10, 2003	IRC 414(h)(2) – Pick-up Issues
200327068	April 10, 2003	IRC 414(h)(2) – Pick-up Issues
200323017	February 21, 2003	IRC 457(b) – Governmental Deferred Compensation Plan
200322019	March 6, 2003	IRC 415(m) – QEBA – Excess Benefit Plan
200318051	January 23, 2003	IRC 104(a)(1) – Taxation of Line-of-Duty Disability Benefits
200317034	October 10, 2002	IRC 414(h)(2) – Pick-up Issues
200317026	October 3, 2002	IRC 415(m) – QEBA – Excess Benefit Plan
200317025	October 2, 2002	IRC 415(m) – QEBA – Excess Benefit Plan
200229051	April 25, 2002	IRC 415(n) - Service Purchase by Inactive Members
200205007	October 23, 2001	IRC 457(b) – Governmental Deferred Compensation Plan
200204007	October 17, 2001	IRC 104(a)(1) – Taxation of Line-of-Duty Disability Benefits
200148075	August 9, 2001	IRC 415(m) – QEBA – Excess Benefit Plan
200129039	April 24, 2001	IRC 414(h)(2) – Pick-up Issues
200116049	January 23, 2001	IRC 414(h)(2) – Pick-up Issues

<b>PLR NUMBER</b>	<b>DATE</b>	<b>ISSUE</b>
200115014	January 9, 2001	IRC 104(a)(1) – Taxation of Line-of-Duty Disability Benefits
200050051	August 30, 2000	IRC 414(h)(2) – Pick-up Issues
200017053	February 2, 2000	IRC 414(d) – Charter Schools – Governmental Plan
200011071	December 21, 1999	IRC 414(h)(2) – Pick-up Issues
200011070	December 21, 1999	IRC 414(h)(2) – Pick-up Issues
200011068	December 21, 1999	IRC 414(h)(2) – Pick-up Issues
200011067	December 21, 1999	IRC 414(h)(2) – Pick-up Issues
200011066	December 21, 1999	IRC 414(h)(2) – Pick-up Issues
200011065	December 21, 1999	IRC 414(h)(2) – Pick-up Issues
200011064	December 21, 1999	IRC 414(h)(2) – Pick-up Issues
200009065	December 7, 1999	IRC 72 – Excess Refund/Transfer of Assets
199952060	October 4, 1999	IRC 104(a)(1) – Taxation of Line-of-Duty Disability Benefits
199940015	July 7, 1999	IRC 457(b) – Governmental Deferred Compensation Plan
199921057	March 3, 1999	IRC 414(h)(2) – Pick-up Issues
9836005	May 29, 1998	FICA
9814045	January 7, 1998	IRC 414(h)(2) – Pick-up Issues
9806016	November 14, 1997	IRC 414(h)(2) – Pick-up Issues
8935031	June 6, 1989	IRC 72 – Tax Treatment of Lump Sum Distribution
8935030	June 6, 1989	IRC 72 – Tax Treatment of Lump Sum Distribution





## DISCUSSION SHEET

### ITEM #C4

- Topic:** Transition Management Services
- Attendees:** Mart Mitchell, Regional Director – Russell Investments  
Marc Larson, Portfolio Manager – Russell Investments
- Discussion:** Staff anticipates several changes to the investment portfolio as progress is made towards implementing the asset allocation defined by the Investment Policy Statement. Staff believes it is prudent to retain a transition management services provider to assist in the execution of current and potential future changes.
- Russell Investments will present an overview of their transition management services and Staff will provide their recommendation.
- Staff Recommendation:** **Approve** engaging Russell Investments to provide transition management services, and **authorize** the Executive Director to negotiate and execute documentation, and perform all necessary acts and exercise all appropriate discretion to facilitate the foregoing.

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## INVESTMENT RECOMMENDATION

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Date: August 11, 2016  
To: DFPF Board  
From: Investment Staff  
Subject: Transition Management Services

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### **Recommendation**

Staff recommends engaging Russell Investments to provide transition management (TM) services.

### **Executive Summary**

Staff anticipates several changes to the investment portfolio as progress is made towards implementing the asset allocation defined by the Investment Policy Statement. Staff believes it is prudent to retain a TM services provider to assist in the execution of current and potential future changes.

A transition manager is used whenever a large amount of securities is moving from one investment manager to another. Typical scenarios include investment manager changes and portfolio rebalancing. These events involve selling securities on one side, and buying securities on the other side. What a transition manager does is, in effect, simultaneously sell the existing portfolio of the old investment manager and purchase the new portfolio as prescribed by the new investment manager while looking for opportunities to make the overall transaction cost efficient. Examples include transferring securities in kind where possible, and matching buyers and sellers (crossing trades) rather than just trading in the open market. Transition management helps to mitigate the various risks and reduce the inherent costs involved with moving the portfolio, such as trade commissions, market volatility, and operational risks. A transition manager accomplishes this goal by providing project management control and oversight, coordination with stakeholders, risk management, trade execution, operational control, and client communication and reporting.

### **Process**

Staff initiated the search for a TM provider by consulting with NEPC. NEPC does not make formal recommendations regarding TM providers, but can discuss ones with which they have had experience. Beyond the firm sourced by NEPC, staff also initiated contact with three additional TM providers. One provider was excluded as a fit for DFPF after conducting due diligence. Staff conducted several meetings in person and by phone with the remaining three candidates. Staff requested a pre-trade analysis bid from each provider based on changes required in the global equity

portfolio. These bids were then analyzed, evaluated, and ranked on measureable quantitative data. More meetings were conducted with the TM candidates to gather follow-up information and clarity on the bids. These bids were also compared against a prior transition analysis as a check on reasonableness and against commissions paid by DFPF on trades executed over the past year within the portfolio. Staff also considered additional qualitative factors such as team size, experience in volume and number of transition events, responsiveness, and transparency. Staff contacted references provided by candidates and consulted with an industry contact who was formerly in the TM business to gather further insight.

### **Transition Management Background**

Removing an existing manager, replacing a manager, and adjusting allocations to rebalance portfolios according to investment policy are all examples of transitioning assets. The costs and risks in transitioning assets arise primarily in trading, maintaining market exposures, and mitigating market volatility. It is helpful to compare an ideal, hypothetical transition where assets are moved instantaneously without cost to the reality of asset transitions: *(Chart by BlackRock)*



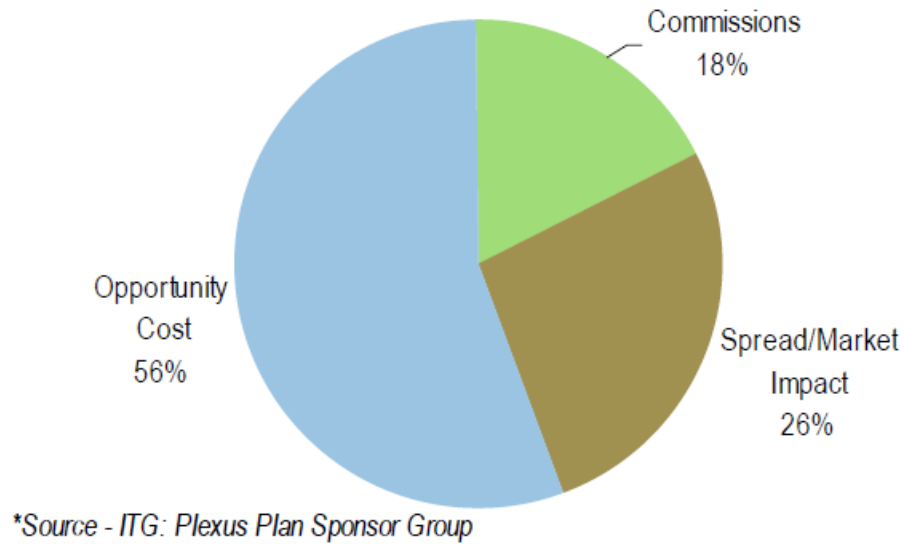
*Explicit Costs* – known in advance and easily quantified:

- Broker Commissions – fees charged to buy or sell securities
- Taxes and Fees – vary by country and trading venue, charged on buying or selling securities

*Implicit Costs* – estimated based on data and experience, vary depending on market conditions

- Bid/Offer Spreads – the difference between the highest price at which a buyer is willing to buy and the lowest price at which a seller is willing to sell
- Market Impact – impact on security price from trading a position, measured as percentage of average daily trading volume
- Opportunity Cost – market factors that cause the legacy (sell) and target (buy) portfolios to behave differently. Market news, earnings announcements, country differences, sector differences, and currency fluctuations are some examples.

The immediately measureable explicit costs are only a smaller portion of the total costs involved in a transition. The following chart shows the average distribution of these component costs, which highlights the need for an effective transition manager who can minimize the impact of market related implicit costs.



Transition managers have trading experience, deep resources, relationships, and expertise to help minimize these costs and mitigate risks related to market exposures in these transactions. This is accomplished by designing customized trading strategies that keep the goal of reducing costs and risks in mind. For example, a particular trade can be split and sent to multiple market venues in order to minimize the market impact of a sizeable trade while maintaining anonymity of the client to mitigate information leakage risks.

Transition managers also ease the administrative burden by providing project management from beginning to end. This includes contact with legacy and target investment managers and the custodian bank, follow through on trade execution and settlement, and final reconciliation of all trades and investment portfolios.

**Russell Investments**

Russell Investments has been providing TM services for over 25 years, and is one of the largest providers of TM services. The following chart shows Russell’s experience in managing transitions over the past three years.

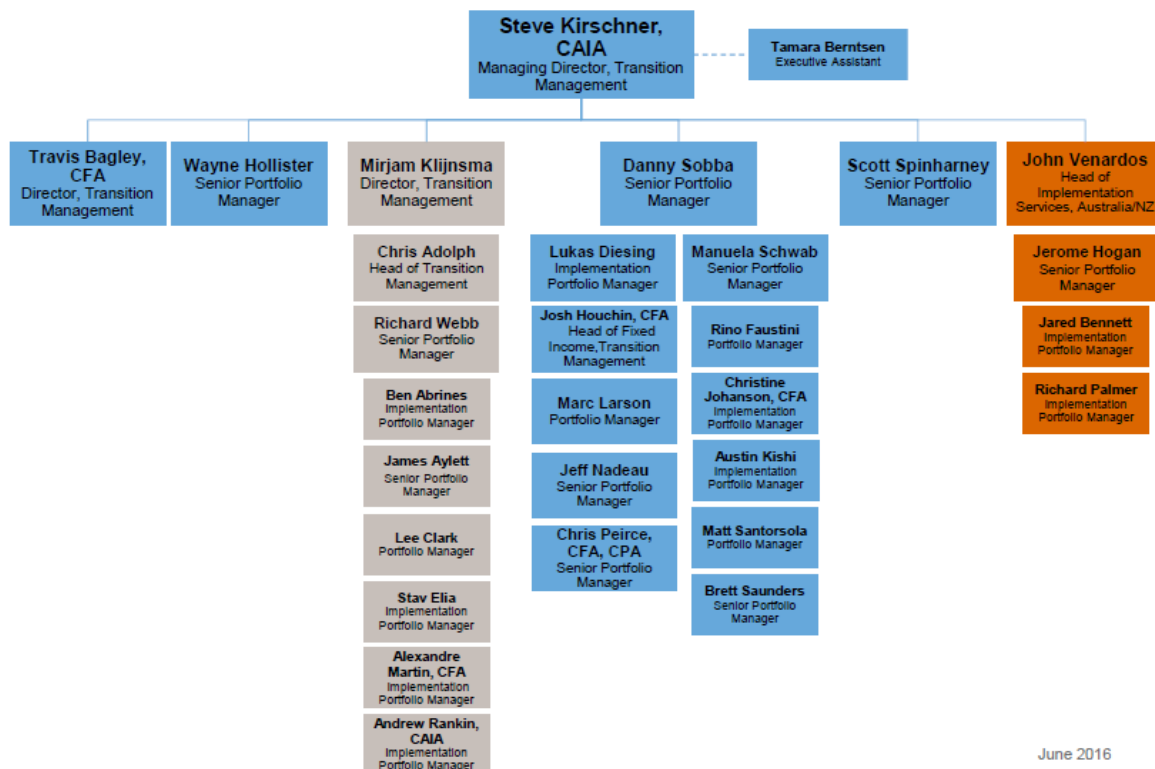
ASSET CLASS	2015		2014		2013	
	# Events	Assets Managed (millions USD)	# Events	Assets Managed (millions USD)	# Events	Assets Managed (millions USD)
US Equity	588	343,889	587	375,058	648	346,627
US Fixed Income	58	72,523	53	86,528	45	62,122
EAFE Equity	444	223,136	473	260,659	490	275,494
Intl. Fixed Income	49	24,348	39	28,403	33	37,557
Emerging Equity	262	59,751	289	47,786	286	50,222
Emerging Fixed Income	21	2,346	17	1,003	8	164
<b>Total</b>	<b>1,422</b>	<b>725,993</b>	<b>1,458</b>	<b>799,437</b>	<b>1,510</b>	<b>772,187</b>

CLIENT DOMICILE	2015		2014		2013	
	# Events	Assets Managed (millions USD)	# Events	Assets Managed (millions USD)	# Events	Assets Managed (millions USD)
Asia Pac	89	58,950	108	131,943	100	82,919
EMEA	172	269,851	186	198,631	206	276,917
Americas	494	397,192	439	468,863	507	412,351
<b>Total</b>	<b>755</b>	<b>725,993</b>	<b>733</b>	<b>799,437</b>	<b>813</b>	<b>772,187</b>

## Personnel

Russell has an extensive and experienced team dedicated to transition management. The senior portfolio managers average over 13 years in TM.



June 2016

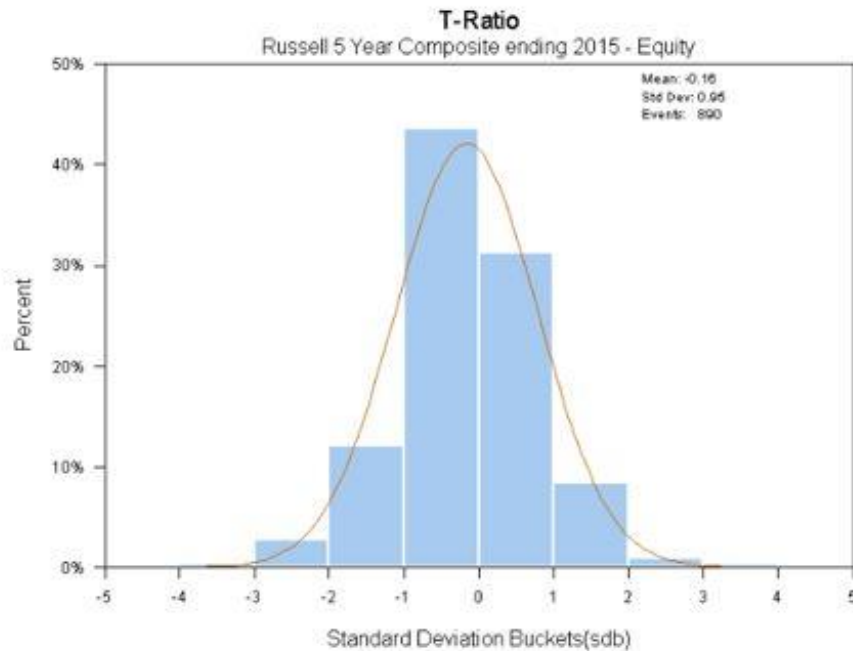
**Strategy**

Russell Investments designs and implements customized strategies created to:

- Achieve target portfolio market exposures in an efficient, dollar neutral manner
- Minimize effects of differences in countries, currencies, and sectors between portfolios
- Utilize multiple trade execution venues to minimize spread and market impact effects
- Focus on total return during transition
- Achieve specific timeline milestones and objectives

**Performance**

The T Ratio is a measurement of transition management performance. The T Ratio compares the actual executed transition results to the pre-transition cost estimate, adjusted for risk and complexity of the transaction. Over the past 5 years, 74.4% of Russell transition events were executed within one standard deviation of the estimated cost. Please refer to the results distribution chart on the following page.



**Consistency in estimates and maximized risk-adjusted performance**

Russell Transition Management Performance Composites, 5 year composite ending 2015. Past performance is not a guarantee of future results. For illustrative purposes only.

## **Pricing**

Russell ranked second in total transaction costs in the pre-trade analysis bid, with an estimated total cost of 0.12% of total traded value. In staff's opinion, the lowest bidder did not have sufficient depth and experience in other asset classes such as fixed income.

## **Recommendation Summary:**

Staff recommends Russell Investments for transition management services based on the following factors;

- **Fiduciary Standard** – Russell Investments is registered as both a Broker Dealer and Registered Investment Advisor, meaning they are held to a fiduciary standard throughout the transition process, including during trade execution.
- **Experience** – Russell has broad and deep experience across asset classes and markets. This consideration is important as DFPF contemplates portfolio changes in fixed income and other asset classes, including global and emerging market equities.
- **Transparency** – Russell provides a high level of transparency. One example is the separation of foreign currency commission and spread costs in the pre-trade analysis proposal.
- **Industry Recognition** – Russell ranks highly in industry surveys, including first in cost performance vs. estimate and client service by Chief Investment Officer magazine. Russell also received positive remarks from references and industry contacts surveyed by staff.
- **Strategy** – Russell places an emphasis on total return, rather than just the explicit costs associated with trade execution



# Transition Management Overview

Marc Larson – Portfolio Manager  
Mart Mitchell – Regional Director

AUGUST 2016



# Important information and disclosures

Nothing contained in this material is intended to constitute legal, tax, securities, or investment advice, nor an opinion regarding the appropriateness of any investment, nor a solicitation of any type. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

Indexes and/or benchmarks are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

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Date of first use: August 2016

RIS RC:2953

# Your first TM decision could be your most important

“When things go significantly wrong in a firm, it is not because it hasn’t complied with a set of narrow regulatory rules, but because there is a fundamental flaw in the business model, in the culture, or business practices.”<sup>1</sup>

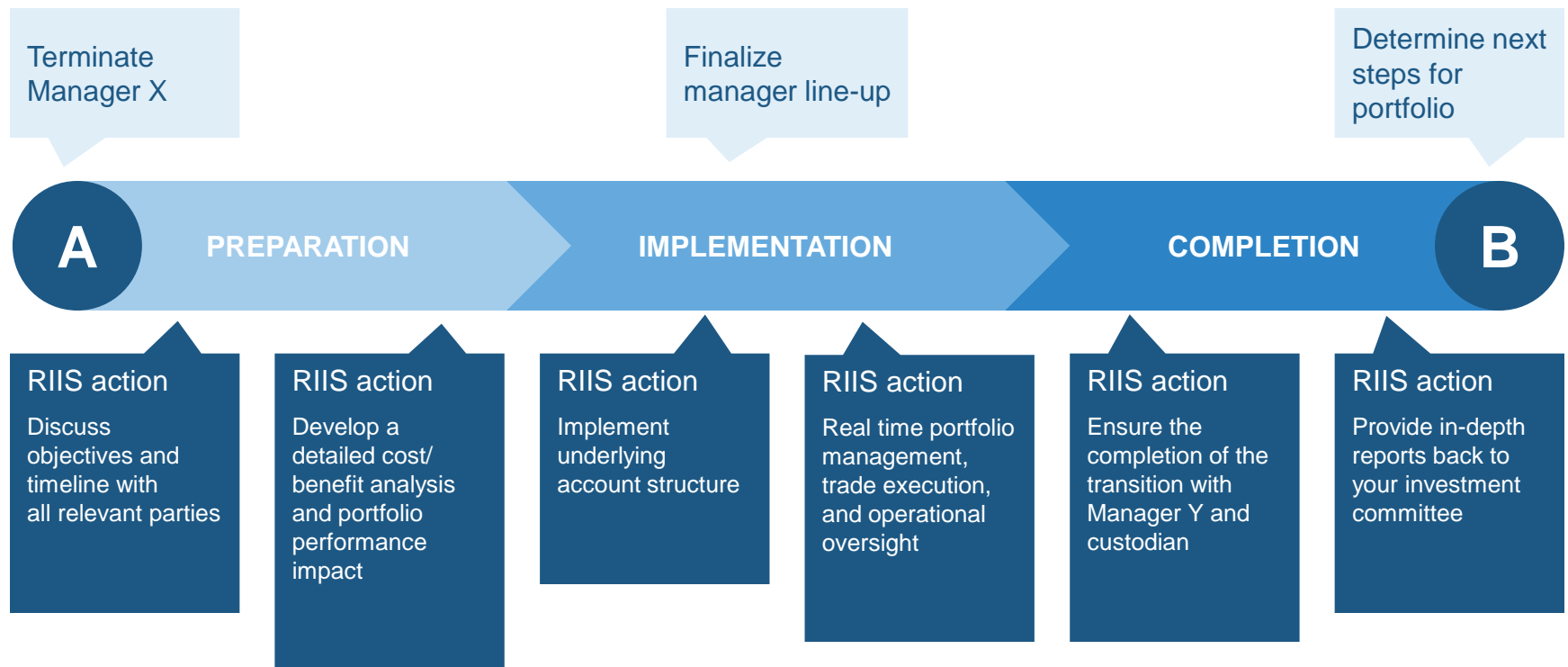
Clive Adamson, Director of Supervision at the  
Financial Conduct Authority (UK)

<sup>1</sup> Source: Speech by Clive Adamson “Fair, transparent and competitive: the FCA’s vision for the asset management sector”.  
<http://www.fca.org.uk/news/fair-transparent-and-competitive-the-fcas-vision-for-the-asset-management-sector>

# What is transition management (TM)?

- › A short term investment management assignment resulting from:
  - › Manager changes
  - › Plan rebalances
  - › Benchmark shifts
  - › Cash management
- › Events can involve domestic and/or global:
  - › Physical securities – Equities, fixed income
  - › Derivatives – futures, currency forwards, swaps
  - › Currencies – open and restricted markets
  - › Interim portfolio management

# Where your job ends and ours begins



Our comprehensive project management is designed to reduce your administrative burden and make the process seamless for you

# Why use a transition manager?

## Improving transition results

### Cost reduction

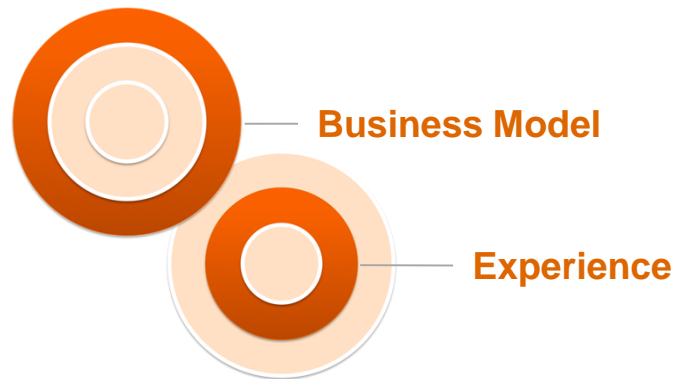
- › Reduced explicit costs
- › Improved execution quality
- › Unique expertise with leveraging market structure

### Risk management

- › Exposure oversight: stay invested at all times
- › Portfolio performance optimization: risk reducing trading strategies
- › Operational expertise: core competency of project management and service

### Increased flexibility

- › Interim portfolio management
- › Expertise in using synthetic instruments
- › Multi-asset class capabilities



# Team, experience, business model

“When things go significantly wrong in a firm, it is not because it hasn’t complied with a set of narrow regulatory rules, but because there is a fundamental flaw in the business model, in the culture, or business practices.”<sup>1</sup>

*Clive Adamson, Director of Supervision at the  
Financial Conduct Authority (UK)*

<sup>1</sup> Source: Speech by Clive Adamson “Fair, transparent and competitive: the FCA’s vision for the asset management sector”.  
<http://www.fca.org.uk/news/fair-transparent-and-competitive-the-fcas-vision-for-the-asset-management-sector>

# Unique Dually Registered Structure

## Dually Registered

### As an advisory firm

- › Fiduciary oversight and alignment of interest (duty of loyalty)
- › Harnessing power of all Russell Investments' capabilities (duty of care)
- › Monitoring & governance (accountability)
- › Access to liquidity available only to buy-side firms

### As an agency-only broker

- › Trusted provider to interact with other broker / dealer flow on multiple exchanges
- › Pure agency model eliminates any association with a proprietary book
- › Acting as a pure agent for clients, interests are aligned to seek best execution

- › The flexibility, independence and unbiased access to global markets drives strategy that is aligned with client needs
- › RIIS is not structured to trade on a principal or proprietary basis and does not perform underwriting, which underscores its “trusted advisor” status in the marketplace

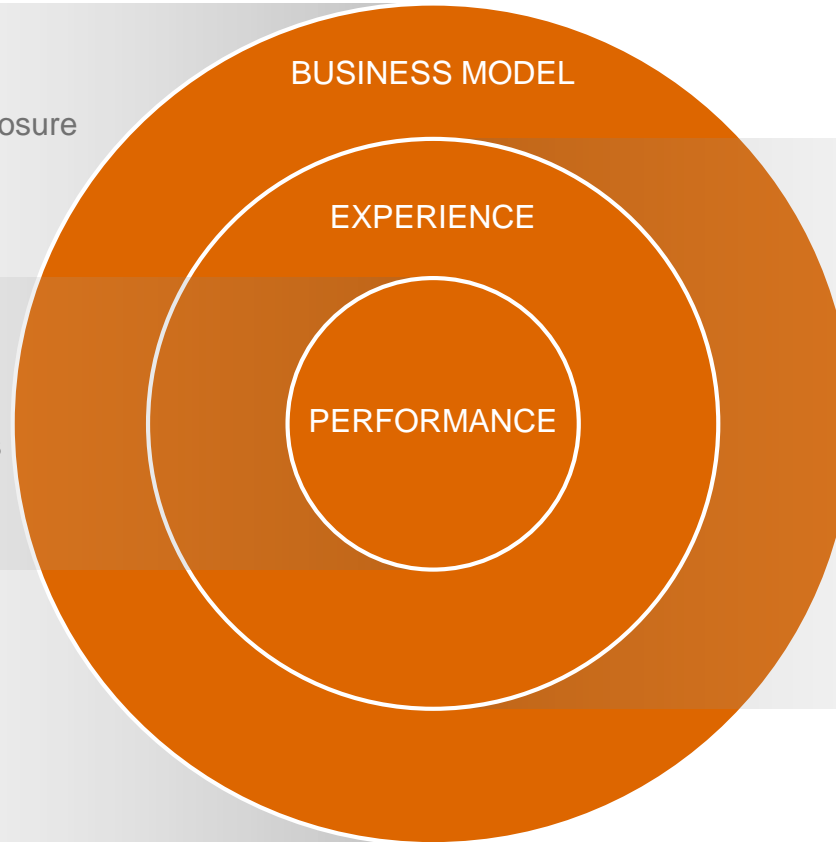
# RIIS transition management

## A pure agent

- › Complete transparency, disclosure & genuine fiduciary oversight
- › Dedicated agent across all asset types

## The facts

- › Active management of risk
- › Actual results within 4.82 bps of estimates over 5 yrs\*



## It's the people

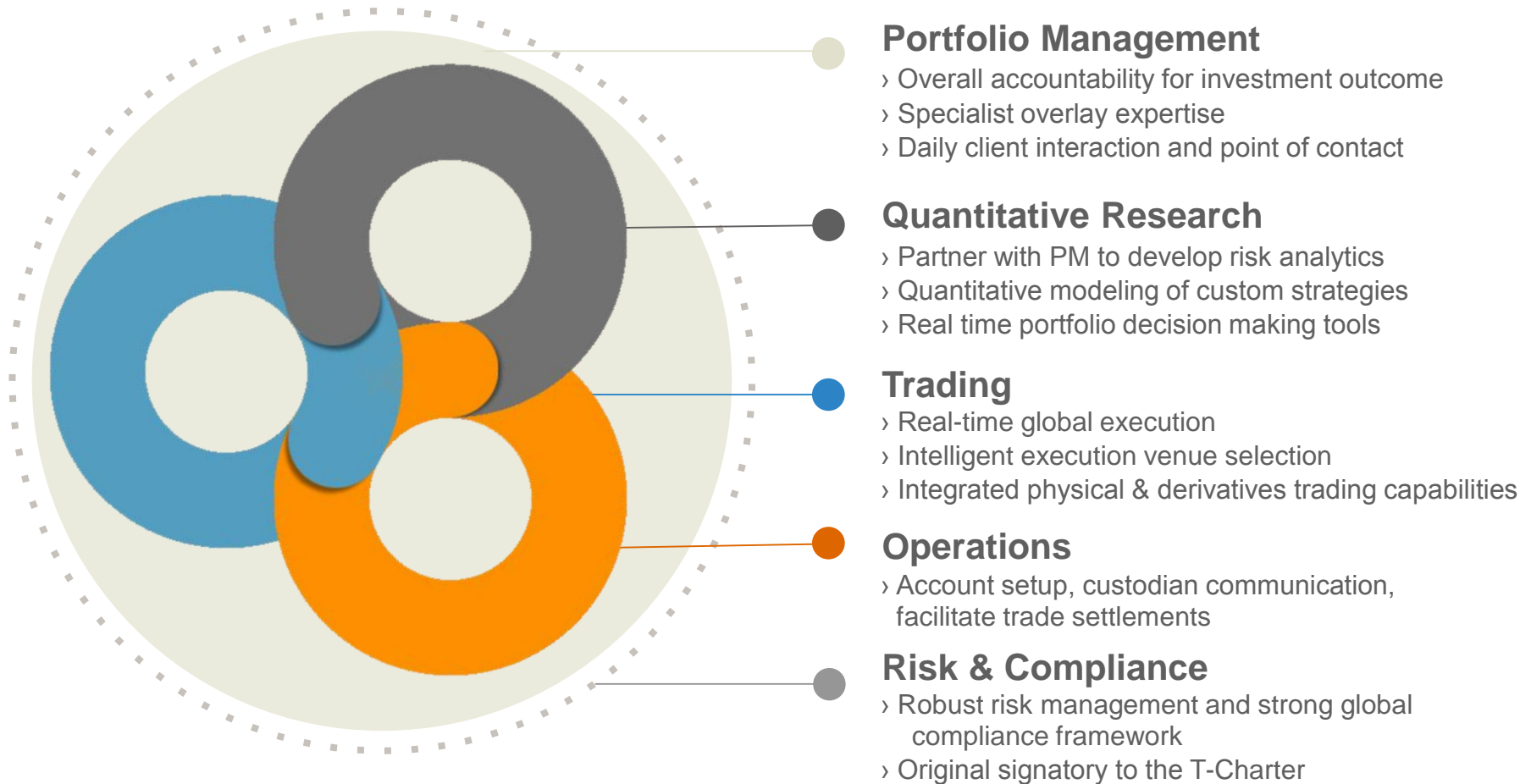
- › One of the most experienced teams in the industry.
- › Ten most senior portfolio managers average 13+ years in TM
- › Over three decades of TM thought leadership

A client-centric model and seasoned team which results in more reliable performance and outcomes for your plan

\*Past performance is not a guarantee of future results.  
Russell Investments transition management Performance Composites - 5 year composites ending 2015.

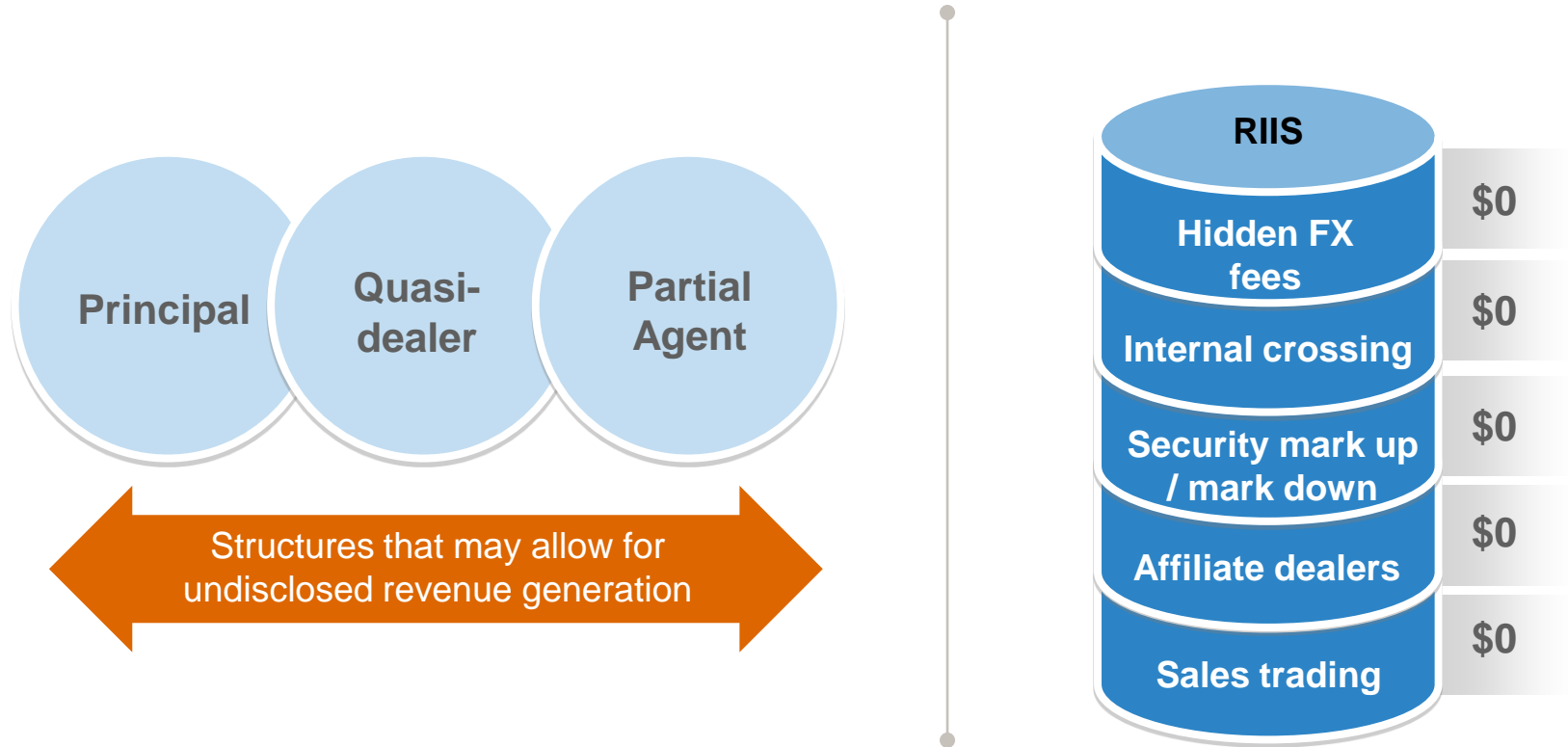


# A fully dedicated, focused, experienced and integrated transition management team



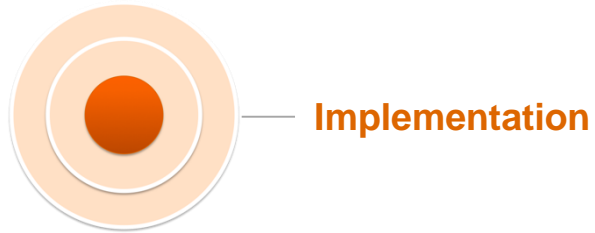
Source: Russell Investments

# With RIIS, there are no hidden fees or undisclosed sources of revenue



RIIS is a pure agent and is not structured to act as a principal — a fiduciary structure that always seeks to maximize portfolio performance for our clients

For illustrative purposes only.

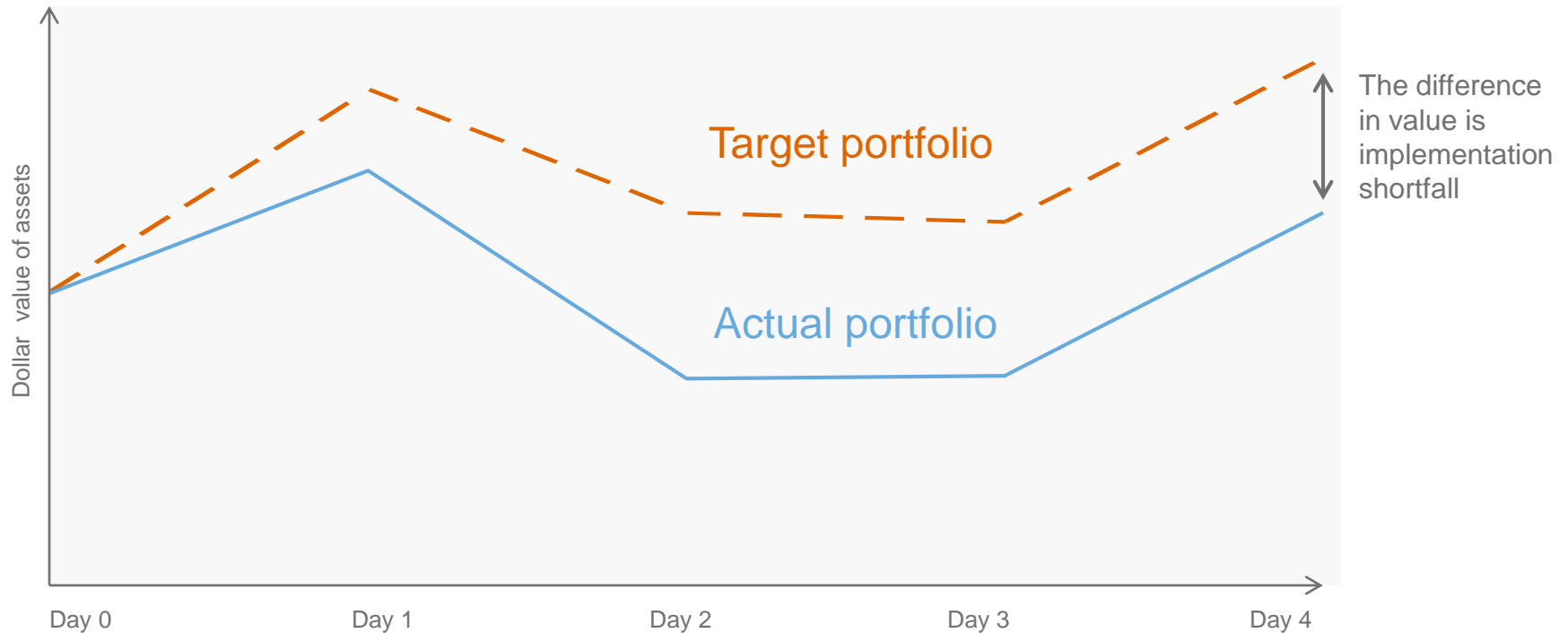


# Risk management & execution/trading



# Defining transition cost

Cost = Performance = T Standard Implementation Shortfall (IS)

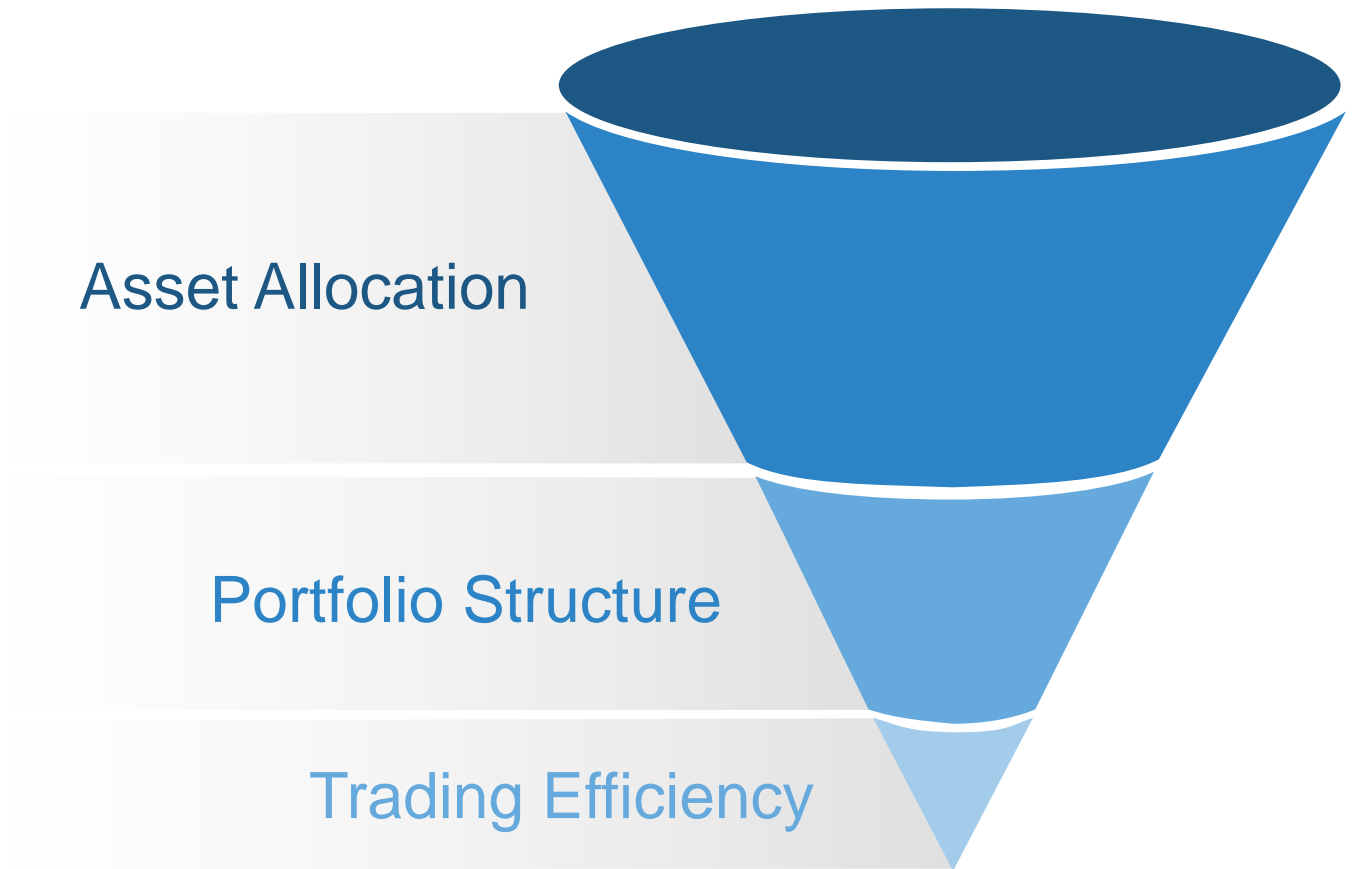


IS includes brokerage, taxes & fees, bid/ask spread, market impact and opportunity costs – back to the reference date

For illustrative purposes only.

# Focus on the factors that make the biggest impact

Expected return is driven by:



# A complete transition solution for fixed income events

## Managing Macro Factors

- › Portfolio Duration
- › Currency Exposure
- › Yield Curve Exposure
- › Manage Derivatives Exposure

Duration & Currency  
Management

## Managing Exposures

- › Sector Exposure
- › Regional Exposure

Portfolio Structure

## Managing Micro Factors

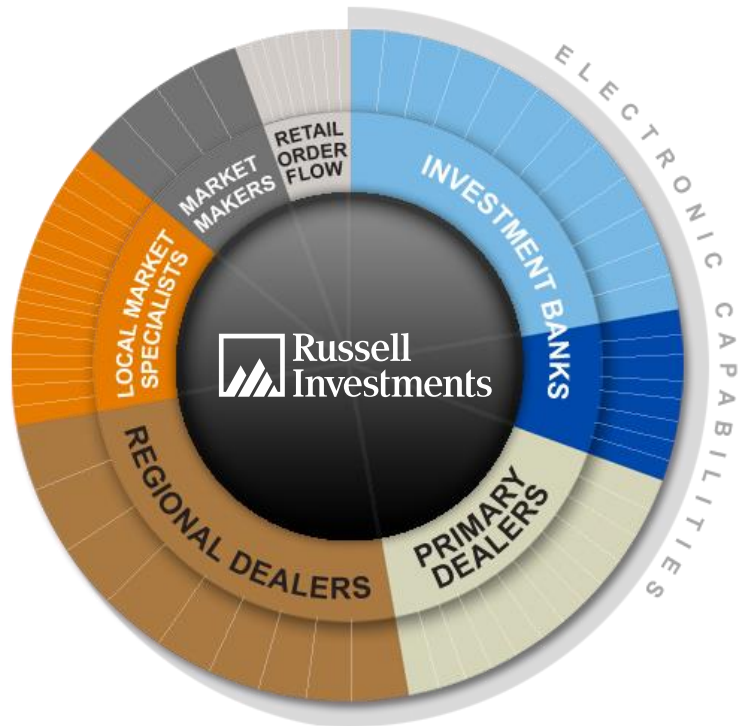
- › Multi-venue Platform
- › Manager Buyback Process

Efficient  
Execution

A complete solution provided in a business model aligned with client's interests

For illustrative purposes only.

# A structure that drives efficient access to global fixed income markets



In 2015 the execution price achieved by RIIS represented 14 bps improvement when compared with the next best price, and 22 bps improvement over the average.

## Electronic capabilities:

- › Tradeweb ~ 61 dealers
- › MarketAxess ~ 108 dealers / 930 direct asset managers
- › Yieldbroker ~ 18 dealers
- › Bloomberg ~ 23 dealers

## Investment banks:

- › Relationships with global primary dealers
- › Locally based dealer contacts across all regions
- › Active risk appetite / Capital commitment

## Trading with specialty firms ~ 50+ counterparties

- › Regional / Asset class specialists
- › Esoteric names / Exotic countries
- › Small issues / Odd lots
- › Focused principal desk
- › Retail order flow

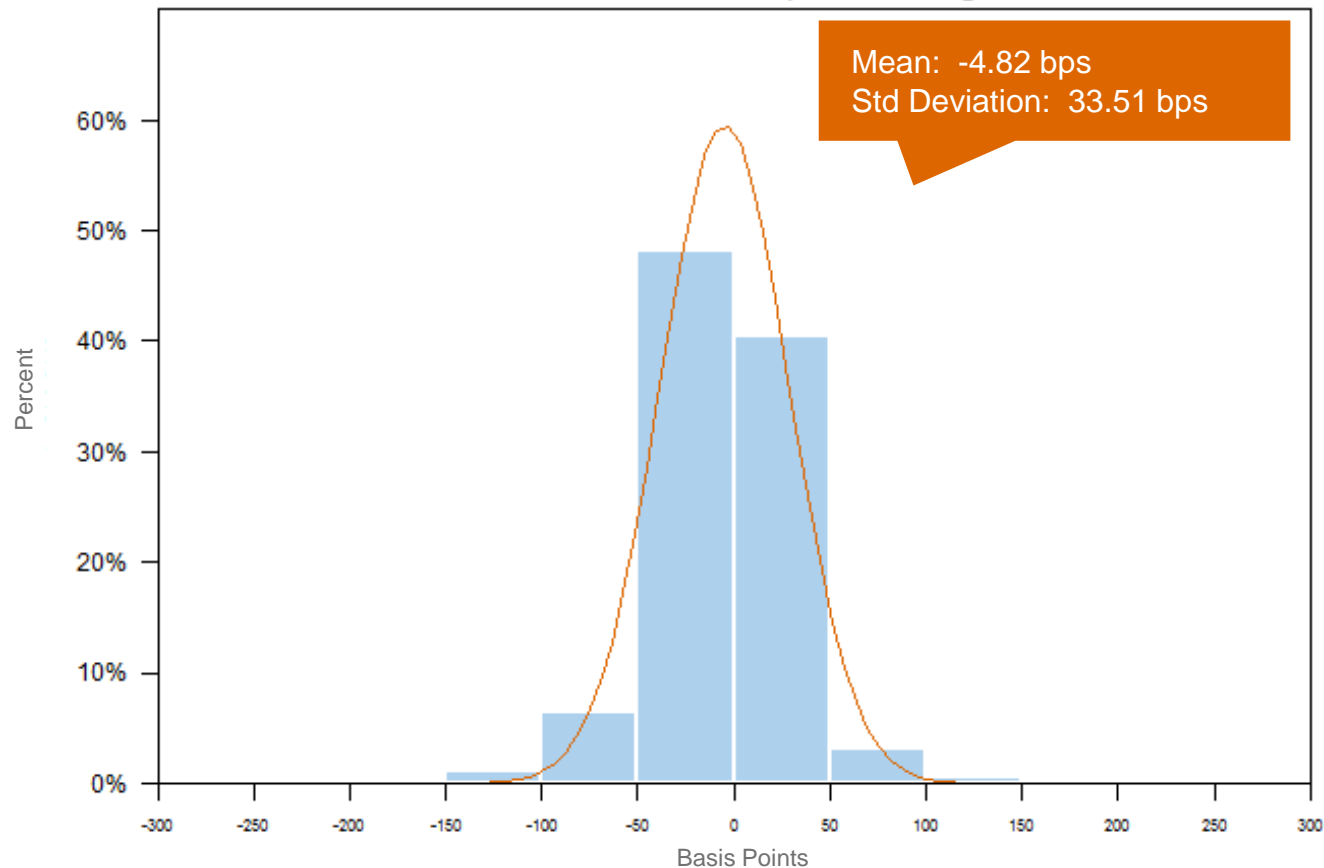
Liquidity sourced from 219 unique dealing books spanning 132 firms globally

Source: Russell Investments Implementation Services, LLC multi-venue platform as of December 31, 2015

# Proven track record of performance results

## Consistency in estimates and maximized risk-adjusted performance

IS actual - IS estimate  
RIIS Universe - 5 Year Composite ending 2015



In 2015, Russell Investments was ranked **#1 in “Global Cost Performance vs. Estimate”** in CIO’s “2015 Transition Manager Survey”. The 2015 results were based on responses from 385 global asset owners on the portfolio transitions they mandated and the managers they used in 2014.

Russell Investments’ transition management Performance Composites - 5 year composite ending 2015. Past performance is not a guarantee of future results.  
For illustrative purposes only.





Investment Performance

# Dallas Police & Fire Pension

## Non-US Equity Restructure

“There is not proper rigor and accountability and this (providing transition data) is the first step in bringing the same standards that apply elsewhere to the TM industry”

*Rick Di Mascio, Inalytics, Professional Pensions, December 2010*



# Transition matrix

## Legacy plan allocation

31-Mar-16

Manager	Market Value	Weight
OFI Global Institutional	117,454,045	36.9%
Walter Scott	84,398,512	26.5%
Pyramis (Fidelity)	113,872,400	35.7%
Cash	2,970,000	0.9%
<b>Total</b>	<b>\$ 318,694,957</b>	<b>100.0%</b>

## Target plan allocation

31-Mar-16

Manager	Market Value	Weight
OFI Global Institutional	79,673,739	25.0%
Walter Scott	79,673,739	25.0%
Boston Partners	79,673,739	25.0%
Manulife Global	79,673,739	25.0%
<b>Total</b>	<b>\$ 318,694,957</b>	<b>100.0%</b>

## Legacy transition portfolio

31-Mar-16

Manager	Market Value	Weight
OFI Global Institutional	37,780,306	23.7%
Walter Scott	4,724,773	3.0%
Pyramis (Fidelity)	113,872,400	71.5%
Cash	2,970,000	1.9%
<b>Total</b>	<b>\$ 159,347,479</b>	<b>100.0%</b>

## Target transition portfolio

31-Mar-16

Manager	Market Value	Weight
Boston Partners	79,673,739	50.0%
Manulife Global	79,673,739	50.0%
		0.0%
		0.0%
<b>Total</b>	<b>\$ 159,347,479</b>	<b>100.0%</b>

# Solution overview

Category	Estimate or Assumption
Starting value	<ul style="list-style-type: none"> <li>▪ The value of the legacy transition portfolio is ~\$159.3 million.</li> </ul>
Value to trade	<ul style="list-style-type: none"> <li>▪ ~\$236.3 million; 148.3% of the legacy portfolio value or 74.2% of the plan value.</li> </ul>
Retained security value	<ul style="list-style-type: none"> <li>▪ ~\$30.9 million; 19.4% of the legacy portfolio value or 9.7% of the plan value.</li> </ul>
Transaction costs	<ul style="list-style-type: none"> <li>▪ Mean expected cost of -18.2 bps +/- 12.6 bps (one std dev) at the portfolio level.</li> <li>▪ Mean expected cost of -9.1 bps +/- 6.3 bps (one std dev) at the plan level.</li> </ul>
Tracking error	<ul style="list-style-type: none"> <li>▪ 2.41% annualized tracking error between the legacy and target portfolios (ex-post).</li> <li>▪ 2.49% annualized tracking error between the legacy and target portfolios (ex-ante).</li> </ul>
Trade horizon & strategy	<ul style="list-style-type: none"> <li>▪ 1 day for 100% completion.</li> <li>▪ One small sell-side position (~\$43k) may take a few days to complete.</li> <li>▪ Russell Investments would utilize an implementation shortfall trade strategy.</li> <li>▪ Cash differences between legacy and target portfolios would be invested/divested in a prudent manner and residual trading would be managed on a dollar neutral basis to maintain equity exposure.</li> </ul>
Factor analysis	<ul style="list-style-type: none"> <li>▪ Please see appendix for detailed attribution.</li> </ul>

# Key considerations

Based upon analysis of the preliminary portfolios, there are several key factors worth consideration for a transition of this nature:

## Performance factors

## Russell Investments strategy

<b>Market Exposure</b>	<ul style="list-style-type: none"> <li>▪ Given the target portfolio is slightly less liquid, it will drive the pace of the transition over the day, as purchases and sales of the equity portfolios will be completed on a dollar neutral basis.</li> <li>▪ Dollar neutrality is important to minimize unintended cash exposure and cash drag of the transition portfolio.</li> <li>▪ Russell Investments would utilize an implementation shortfall trade strategy and achieve/maintain target market exposure in a prudent manner.</li> </ul>
<b>Manage Factor Risk</b>	<ul style="list-style-type: none"> <li>▪ There are shifts in countries, currencies, and industries/sectors that contribute to the overall risk between the portfolios. Russell Investments would look to neutralize those factor bets at the outset of trading, within the liquidity constraints of the underlying positions to trade.</li> <li>▪ The focus of trading would be to isolate, prioritize and neutralize factors that contribute to tracking error and active risk, to the extent possible.</li> </ul>
<b>Execution Quality</b>	<ul style="list-style-type: none"> <li>▪ Russell Investments would utilize our multi-venue execution platform which aggregates liquidity provided by all available venues, allowing us to move out of the legacy and into the target portfolio efficiently and early in the transition period.</li> <li>▪ We would maximize our exposure to dark pools and crossing opportunities when and where it makes sense, in order to balance the savings on spread and impact with minimizing opportunity costs.</li> <li>▪ Mask intent and protect client assets against performance deterioration associated with information leakage, by using a wide array of non-affiliated execution venues.</li> <li>▪ Maintain anonymity in the marketplace.</li> </ul>
<b>Operational Risk</b>	<ul style="list-style-type: none"> <li>▪ To achieve specific timeline objectives and prevent unnecessary delays, the transition requires strong project management and communication with all parties involved.</li> <li>▪ Russell Investments will develop, execute and manage a tailored implementation plan, ensuring all parties are accountable for action items resulting in a timely and successful transition.</li> <li>▪ Russell Investments will monitor and manage transition account cash and settlement cycles to ensure cash needs are met.</li> </ul>

# Cost estimate and performance distribution

Assets	Value	Weight	% of fund <sup>3</sup>
<b>Fund value</b>	<b>318,694,957</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Portfolio value</b>	<b>159,347,479</b>	<b>100.0%</b>	<b>50.0%</b>
Equity security value	143,524,700	90.1%	45.0%
Cash value	15,822,780	9.9%	5.0%
<b>Retained security value</b>	<b>30,860,562</b>	<b>19.4%</b>	<b>9.7%</b>
<b>Value traded <sup>1</sup></b>	<b>236,344,913</b>	<b>148.3%</b>	<b>74.2%</b>

Expected costs	Value	% of portfolio <sup>2</sup>	% of fund <sup>3</sup>
<b>Explicit impact</b>	<b>158,726</b>	<b>10.0 bp</b>	<b>5.0 bp</b>
Equity brokerage <sup>4</sup>	85,966	5.4 bp	2.7 bp
Foreign exchange brokerage <sup>4</sup>	5,631	0.4 bp	0.2 bp
Taxes and market fees	67,129	4.2 bp	2.1 bp
<b>Implicit impact</b>	<b>131,867</b>	<b>8.3 bp</b>	<b>4.1 bp</b>
Equity spread and impact	126,492	7.9 bp	4.0 bp
Foreign exchange spread and impact	5,375	0.3 bp	0.2 bp
<b>Expected transaction cost</b>	<b>290,593</b>	<b>18.2 bp</b>	<b>9.1 bp</b>

1- 'Value traded' - equals the total value of all securities bought and all securities sold;

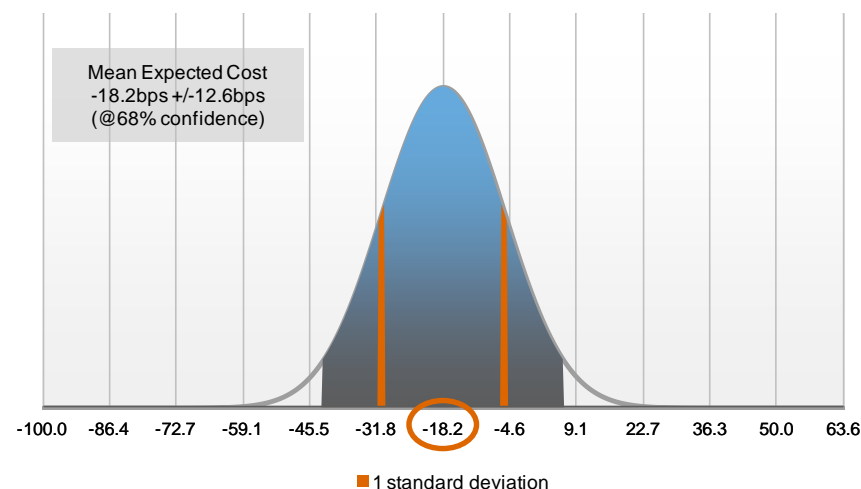
2- '% of portfolio' - percentage calculated by taking cost/ portfolio value.

3- '% of fund' - percentage calculated by taking cost / total fund value.

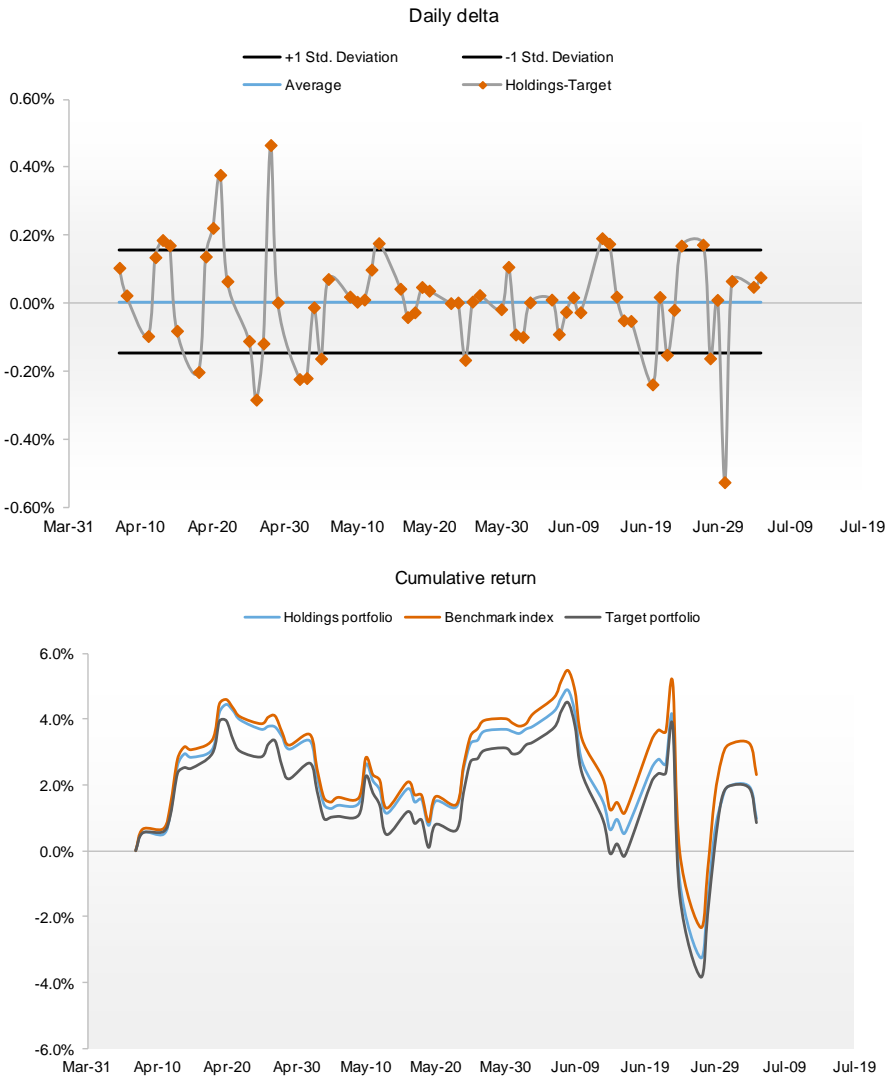
4- Agency brokerage rates: US/CA equity: 125 cps, Int'l Developed equity: 5 bps, Foreign Exchange: 2 bps

- › **Mean Performance Estimate:** -18.2 basis points
- › **Performance Risk:**  $\pm$  12.6 bps at 1 standard deviation (68% confidence level)
- › The chart below illustrates the distribution of potential transition outcomes centered on the expected mean cost. It is based upon the annualized tracking error of 2.49% between the legacy and target portfolios.

**Transition cost outcomes**



# Risk analysis



## Ex-ante tracking error / factor risks

Risk Factor	vs. Target (% annualized)
<b>Tracking Error</b>	<b>2.49%</b>
Risk Factor	Contribution (% Active Risk)
<b>Asset Selection (idiosyncratic)</b>	<b>58.1%</b>
<b>Common Factor</b>	<b>41.9%</b>
Style	26.4%
Industries	13.9%
Country	7.2%
Currency	1.4%
Market	-7.1%
Covariance	0.0%
<b>Total</b>	<b>100.0%</b>

The above table shows the risk factor breakdown between the legacy and target portfolios. The primary contributors to risk are the shifts in market cap and industries/sectors, as well as, the relative volatility between the portfolios.

The daily delta chart illustrates the daily performance difference between the legacy and target portfolios. With the exception of a few points in time, the performance deltas between the portfolios have been within one standard deviation of late.

The cumulative return chart shows the return of the legacy and target portfolios, and MSCI World Index over the last three months.



Investment Performance

# Appendix



# Consistently reduced market impact relative to peers

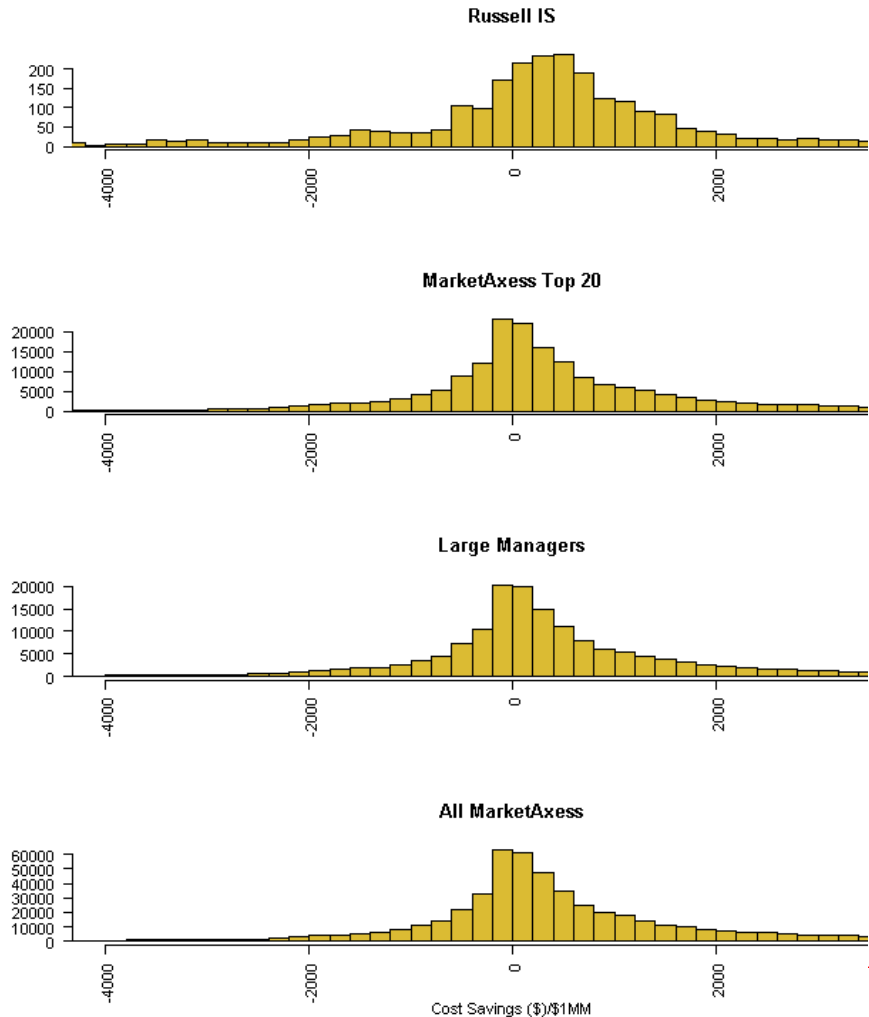
Externally verified by Elkins McSherry

Quarter	Russell Investments Market Impact (bps)	Elkins/McSherry Market Impact (bps)	Russell Investments Saving vs. Elkins/McSherry Market Impact Average
Q1-2010	-9.3	-19.2	9.9
Q2-2010	-4.6	-22.8	18.2
Q3-2010	-13.7	-22.2	8.5
Q4-2010	-13.2	-23.1	9.9
Q1-2011	-12.5	-21.4	8.9
Q2-2011	-6.8	-25.4	18.6
Q3-2011	-15.4	-20.1	4.7
Q4-2011	-7.9	-24.8	16.9
Q1-2012	-4.6	-11.7	7.1
Q2-2012	-7.8	-21.3	13.5
Q3-2012	-5.9	-22.9	17.0
Q4-2012	-9.4	-24.7	15.3
Q1-2013	-5.1	-18.6	13.5
Q2-2013	-9.7	-23.2	13.5
Q3-2013	-8.4	-20.6	12.2
Q4-2013	-7.9	-27.1	19.2
Q1-2014	-15	-27.1	12.1
Q2-2014	-5.6	-24.1	18.5
Q3-2014	-2.8	-23.6	20.8
Q4-2014	-5.4	-21.6	16.2
Q1-2015	-10.6	-22.8	12.2
Q2-2015	-14.8	-31.3	16.5
Q3-2015	-10.8	-25.1	14.3
Q4-2015	-15.1	-27.2	16.0
Q1-2016	-9.6	-32.8	23.2
<b>Average</b>	<b>-12.6</b>	<b>29.1</b>	<b>17.5</b>

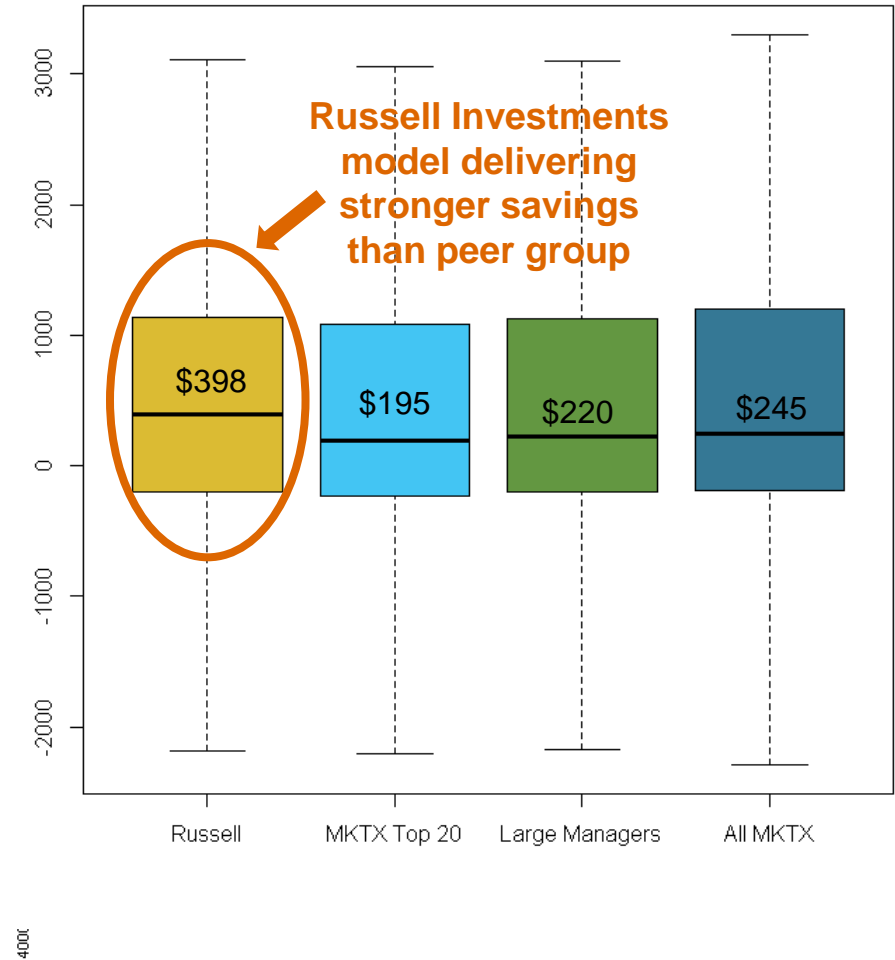
Source: Elkins McSherry. Data as of 31 March 2016. Highlight cost of global equity trading relative to full Elkins McSherry universe (both buy and sell side firms). Data is benchmarked against the "arrival price".



# Transaction cost analysis: Powered by MarketAxess



Cost Savings in Dollars per \$1MM



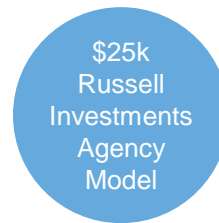
Source: MarketAxess, data as at January 2014 thru June 2015

# The right FX execution strategy

## Potential for significant TM savings



In 2013 and 2014, Russell Investments was named the winner for “Excellence in Foreign Exchange (FX) Services” at the International Alternative Investment Review (IAIR) Awards. We were recognized for reducing transaction costs and managing risks.

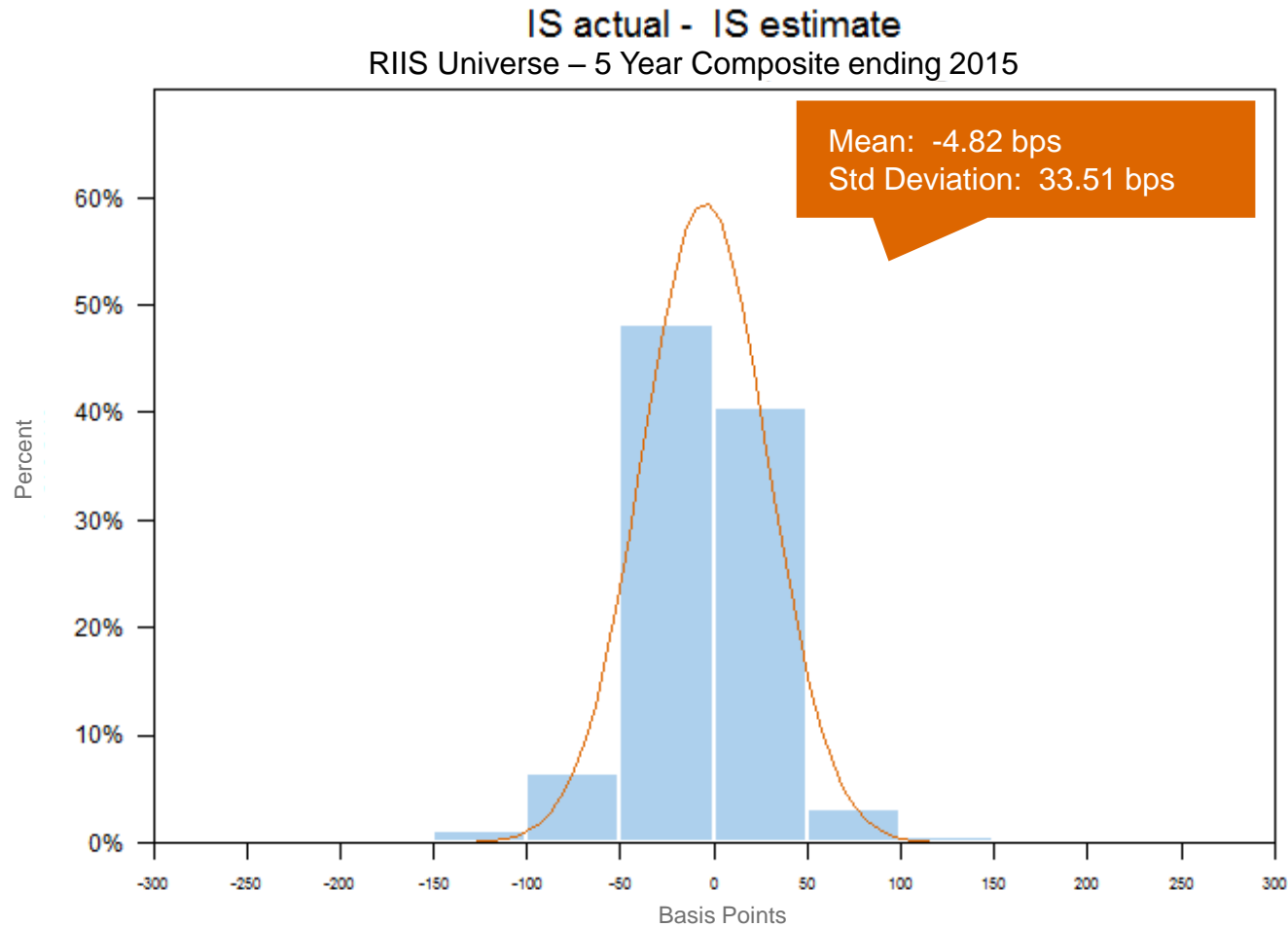


	Execution costs	Ability to choose counterparties	Number of quotes	Level of execution oversight
Custodian (indirect)	<b>8-30 bps</b>	No	1	Low/none
Agency (Russell Investments)	<b>&lt;1 bps</b>	Yes	Multiple	High

Transaction costs based on \$1,000,000,000 portfolio with 25% annual turnover (= \$250,000,000 in FX trades) and execution costs as described above. Source of custodian and provider execution costs: Russell Investments' foreign exchange transaction analyses for 2015. Data is historical and not a guarantee of future results. For illustrative purposes only.

# Proven track record of performance results

## Consistency in estimates and maximized risk-adjusted performance



In 2015, Russell Investments was ranked **#1 in “Global Cost Performance vs. Estimate”** in CIO’s “2015 Transition Manager Survey”. The 2015 results were based on responses from 385 global asset owners on the portfolio transitions they mandated and the managers they used in 2014.

Russell Investments’ transition management Performance Composites - 5 year composite ending 2015. Past performance is not a guarantee of future results.  
For illustrative purposes only.

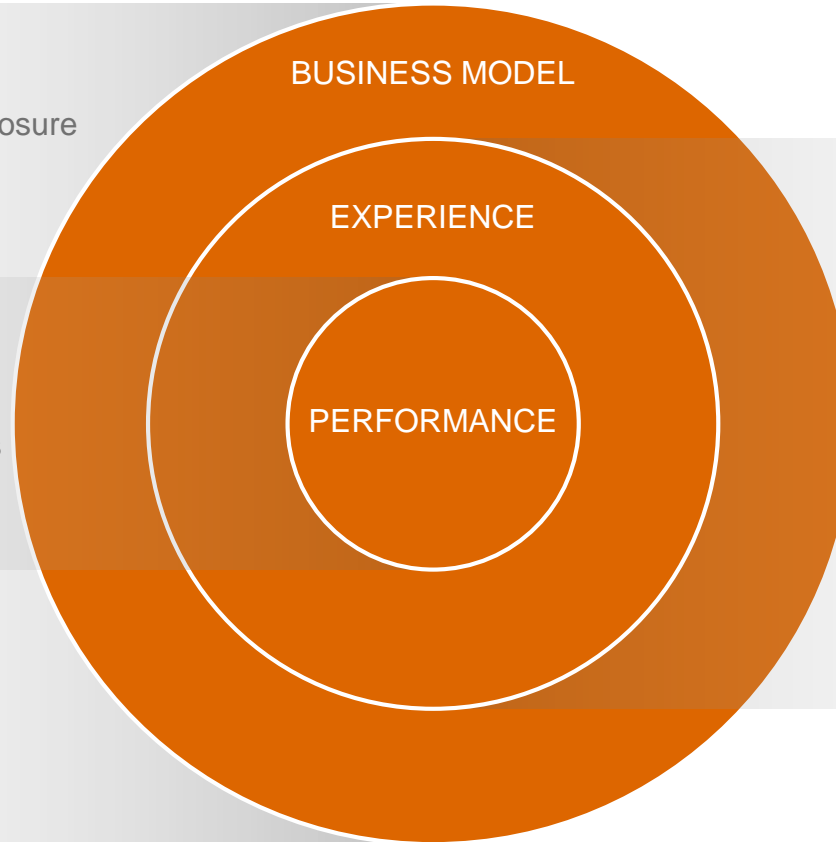
# RIIS transition management

## A pure agent

- › Complete transparency, disclosure & genuine fiduciary oversight
- › Dedicated agent across all asset types

## The facts

- › Active management of risk
- › Actual results within 4.82 bps of estimates over 5 yrs\*



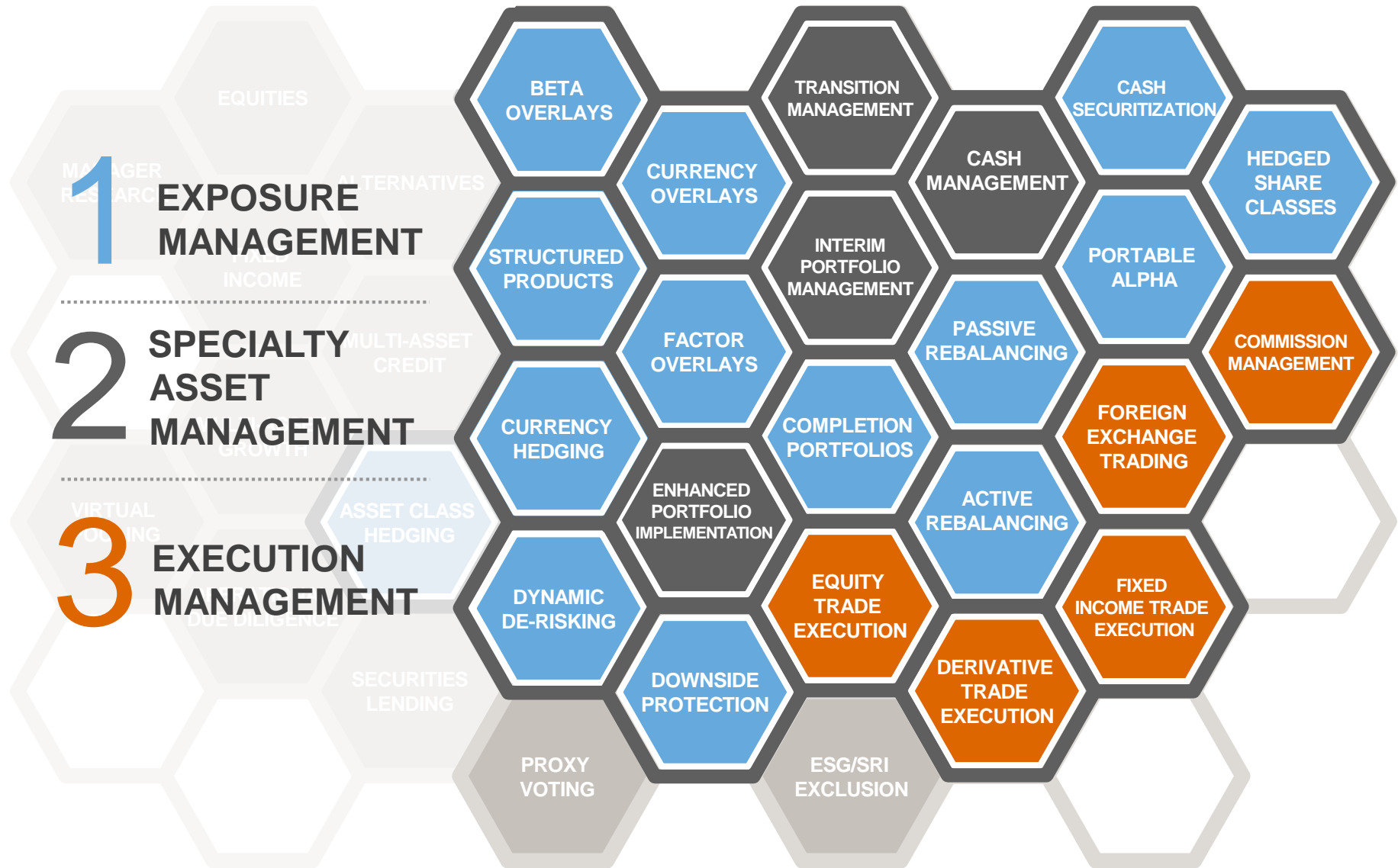
## It's the people

- › One of the most experienced teams in the industry.
- › Ten most senior portfolio managers average 13+ years in TM
- › Over three decades of TM thought leadership

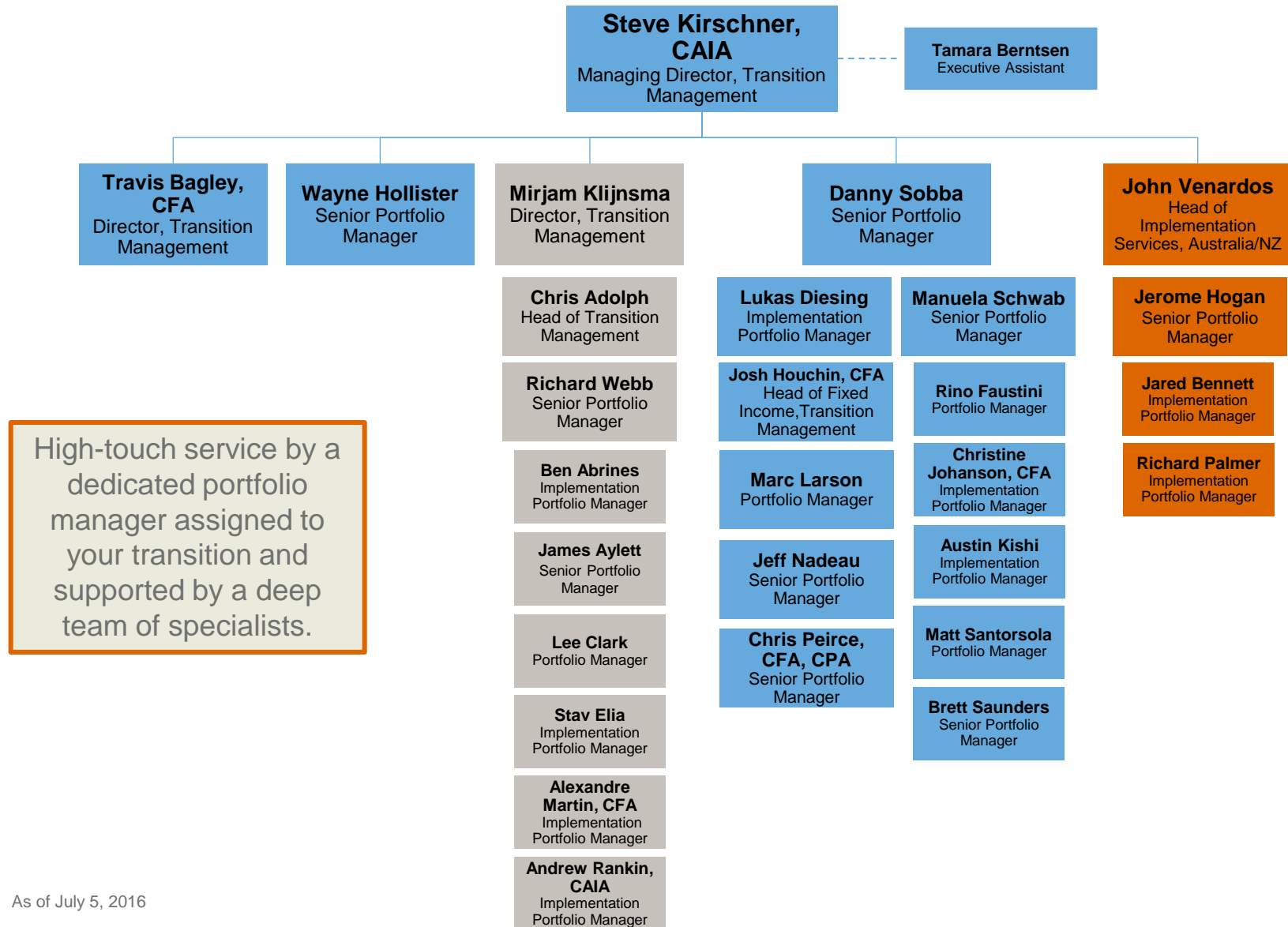
A client-centric model and seasoned team which results in more reliable performance and outcomes for your plan

\*Past performance is not a guarantee of future results.  
Russell Investments transition management Performance Composites - 5 year composites ending 2015.

# A platform of specialist implementation services



# Transition Management



High-touch service by a dedicated portfolio manager assigned to your transition and supported by a deep team of specialists.

As of July 5, 2016

# RIIS transition volumes

ASSET CLASS	2015		2014		2013	
	# Events	Assets Managed (millions USD)	# Events	Assets Managed (millions USD)	# Events	Assets Managed (millions USD)
US Equity	588	343,889	587	375,058	648	346,627
US Fixed Income	58	72,523	53	86,528	45	62,122
EAFE Equity	444	223,136	473	260,659	490	275,494
Intl. Fixed Income	49	24,348	39	28,403	33	37,557
Emerging Equity	262	59,751	289	47,786	286	50,222
Emerging Fixed Income	21	2,346	17	1,003	8	164
<b>Total</b>	<b>1,422</b>	<b>725,993</b>	<b>1,458</b>	<b>799,437</b>	<b>1,510</b>	<b>772,187</b>

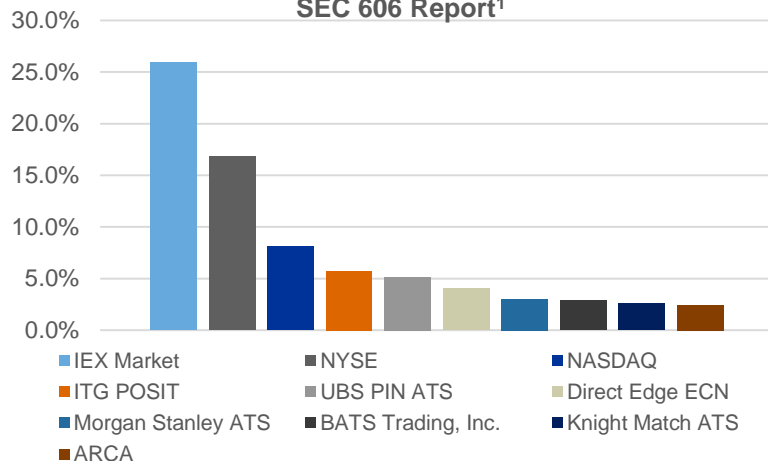
CLIENT DOMICILE	2015		2014		2013	
	# Events	Assets Managed (millions USD)	# Events	Assets Managed (millions USD)	# Events	Assets Managed (millions USD)
Asia Pac	89	58,950	108	131,943	100	82,919
EMEA	172	269,851	186	198,631	206	276,917
Americas	494	397,192	439	468,863	507	412,351
<b>Total</b>	<b>755</b>	<b>725,993</b>	<b>733</b>	<b>799,437</b>	<b>813</b>	<b>772,187</b>

Source: Russell Investments Implementation Services, LLC. All dates as of December 31, 2015.

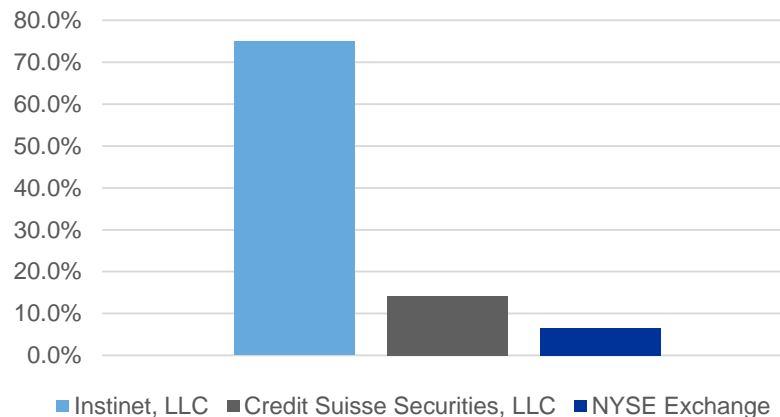
# Execution venue matters

## Comparing execution methods - SEC 606 reporting

Russell Implementation Services  
SEC 606 Report<sup>1</sup>



State Street Global Markets  
SEC 606 Report<sup>1</sup>



ATS Transparency Index™ (as of March 2016):

Healthy Markets ATS Transparency Index	Composite	General Disclosure	Fees Disclosed	Technology	Order / Fill Characteristics	Conflicts	Block Trading Statistics	Other Trading Statistics	Broker-Owned Pool Details
IEX	1.48								
BIDS	1.16								
UBS ATS	0.98								
DB	0.80								
Liquidnet	0.74								
GS	0.64								
Level ATS	0.52								
KCG Matchit	0.50								
Barclays	0.42								
PDQ ATS	0.19								
Bloomberg Tradebook	0.05								
ITG	-0.01								
MLXN	-0.61								
CS: Crossfinder	-0.96								
Convergenx	-1.22								
JPMX	-1.31								
Morgan Stanley	-1.68								
State Street	-1.68								

Source: Heathy Markets ATS Transparency Index. More information on the index can be obtained at <http://www.healthymarkets.org/ats-transparency-index>

### SEC 606 Disclosure

State Street Global Markets, LLC (the Broker) routes customer equity orders to national securities exchanges, alternative trading systems, including electronic communications networks, market centers and broker-dealers unaffiliated with the Broker. Certain of these execution venues **offer cash credits for orders** that provide liquidity to their books and charge explicit fees for orders that extract liquidity from their books while others offer cash credits for orders that extract liquidity from their books and charge explicit fees for orders that provide liquidity to their books. In addition, the Broker may facilitate trades through execution venues, including unaffiliated broker-dealers, who may **provide the Broker with a payment or other consideration** based upon orders referred to such execution venue.

1 – NYSE listed orders for first quarter 2016.



# Mart K. Mitchell

## Regional Director Americas Institutional



Mart Mitchell is a regional director for Russell Investments. Mart represents Russell Investments' sub-advised and direct investment management products. He also advises clients on the management of global implementation issues through portfolio transitions, overlay strategies, currency management and other execution management solutions. Mart's expertise in the workings of global capital markets and experience with all plan sponsor types help him manage client relationships within his Southern and Midwest territory, representing roughly twenty percent of Russell's U.S. based, large institutional clients.

Mart joined Russell Investments' implementation services in 2000 as an associate client executive and was promoted to client executive at the beginning of 2001 and regional director at the beginning of 2005. Prior to 2000, Mart served nearly seven years with Russell Investments' investment management business.

Mart joined Russell Investments as an intern in 1993, working as an account assistant in the company's analytical services division. After graduating with a degree in finance, he joined Russell Investments as an accountant, performing financial and regulatory functions for the company's mutual funds. In mid-1995, in a new role, Mart moved to Russell Investments' New York office, where he supported East Coast client service and sales efforts for two years until he transferred to Russell Investments' North Carolina office. Mart provided asset allocation, investment objective-setting and employee communications services to Russell Investments' direct investment management clients. He moved to Russell Investments' North Carolina office to focus on clients based in the Southern and Mid-Atlantic U.S. in 1997.

**B.A., Finance, University of Puget Sound, 1993**

**M.B.A., Babcock School of Management, Wake Forest University, 2000**

**Licensed Registered Representative, FINRA Series 7 and 63 (Russell Investments Implementation Services, LLC, member FINRA)**

# Marc D. Larson

Portfolio Manager

Russell Investments Implementation Services, LLC



Marc Larson is a portfolio manager for Russell Investments Implementation Services, LLC, on the global portfolio transition team. This team executes portfolio transition assignments for all Russell Investments funds, separate client accounts, and third party transition client accounts. Marc's duties include the day-to-day management of active transitions, planning and implementation of various exposure management/transition strategies, exploring the lowest cost trading alternatives, and performance reporting on completed client transitions. Marc joined Russell Investments in 2004.

The global portfolio transition team is positioned to deliver superior portfolio performance during asset transitions by employing the most cost-efficient, risk-adjusted transition strategies within the industry. Russell Investments methodology involves extensive qualitative and quantitative analyses of client's current and target portfolios, establishing trading strategies, intraday maintenance of portfolio structure, and managing market exposure.

Marc is a registered representative of Russell Investments Implementation Services, LLC member FINRA/SIPC; FINRA Series 7 and 66.

**B.A., Business Administration (Math and Economics minors), University of Puget Sound, 2004**  
**Registered representative, FINRA Series 7 and 66**





# DISCUSSION SHEET

## ITEM #C5

**Topic:** Financial reports

**Discussion:** The Chief Financial Officer will present the second quarter 2016 financial statements.

**DALLAS POLICE & FIRE PENSION SYSTEM**  
**Combined Statements of Fiduciary Net Position**

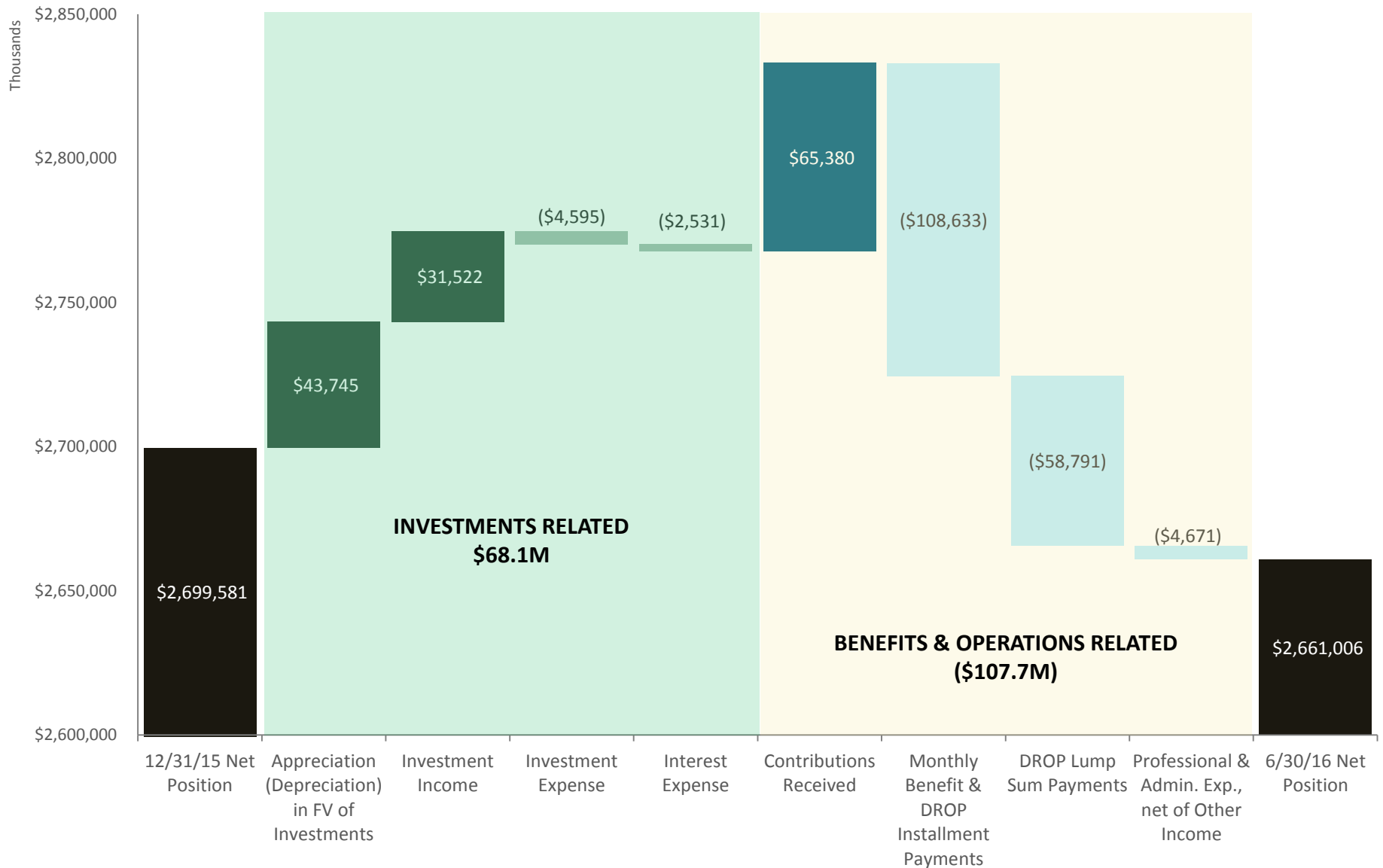
	<b>6/30/2015</b> <i>(unaudited)</i>	<b>12/31/15</b> <i>(audited)</i>
<b>Assets</b>		
<b>Investments, at fair value</b>		
Short-term investments	\$ 29,087,865	\$ 29,986,714
Fixed income securities	444,273,777	383,057,125
Equity securities	410,468,970	439,815,460
Real assets	1,107,946,659	1,135,348,482
Private equity	416,794,385	445,014,054
Alternative investments	302,548,127	395,025,520
Forward currency contracts	(215,311)	(388,840)
<b>Total investments</b>	2,710,904,472	2,827,858,515
Invested securities lending collateral	85,490,843	94,246,253
<b>Receivables</b>		
City	703,293	633,223
Members	140,869	141,170
Interest and dividends	5,007,440	5,640,971
Investment sales proceeds	25,581,259	51,977,685
Other receivables	224,608	175,363
<b>Total receivables</b>	31,657,469	58,568,412
Cash and cash equivalents	99,352,464	77,072,359
Prepaid expenses	536,995	201,452
Capital assets, net	12,144,726	12,191,563
<b>Total assets</b>	2,940,086,969	3,070,138,554
<b>Liabilities</b>		
Notes payable	160,000,000	235,314,513
<b>Payables</b>		
Securities purchased	27,648,105	37,341,033
Securities lending obligations	85,490,843	94,246,253
Accounts payable and other accrued liabilities	5,941,812	3,655,746
<b>Total liabilities</b>	279,080,760	370,557,545
<b>Net position</b>		
Net investment in capital assets	12,144,726	12,191,563
Unrestricted	2,648,861,483	2,687,389,446
<b>Net position held in trust - restricted for position benefits</b>	\$ 2,661,006,209	\$ 2,699,581,009

**DALLAS POLICE & FIRE PENSION SYSTEM**  
**Combined Statement of Changes in Fiduciary Net Position**

	<b>6 Months ended 06/30/2016 <i>(unaudited)</i></b>	<b>6 Months ended 6/30/2015 <i>(unaudited)</i></b>
<b>Contributions</b>		
City	\$ 53,436,393	\$ 55,723,687
Members	11,943,291	12,550,812
<b>Total contributions</b>	65,379,684	68,274,499
 <b>Investment income</b>		
Net appreciation in fair value of investments	43,744,611	55,587,670
Interest and dividends	31,306,831	41,004,857
Total gross investment income	75,051,442	96,592,527
less: investment expense	(4,595,429)	(6,932,318)
<b>Net investment income</b>	70,456,013	89,660,209
 <b>Securities lending income</b>		
Securities lending income	353,888	379,544
Securities lending expense	(139,004)	(108,049)
<b>Net securities lending income</b>	214,884	271,495
 Other income	74,283	60,538
 <b>Total additions</b>	136,124,864	158,266,741
 <b>Deductions</b>		
Benefits paid to members	166,359,895	127,644,947
Refunds to members	1,063,693	741,381
Interest expense	2,530,986	1,561,001
Professional and administrative expenses	4,745,090	4,331,274
<b>Total deductions</b>	174,699,664	134,278,603
 <b>Net increase (decrease) in net position</b>	(38,574,800)	23,988,138
 <b>Net position</b>		
Beginning of period	2,699,581,009	3,095,600,042
End of period	\$ 2,661,006,209	\$ 3,119,588,180

# Change in Net Fiduciary Position

December 31, 2015 – June 30, 2016





## DISCUSSION SHEET

### ITEM #C6

**Topic:** Budget review for the first six months of Calendar Year 2016

**Discussion:** Attached is a review of the Calendar Year 2016 Operating Expense Budget detailing expenditures for the first six months of the calendar year. Actual expenses, net of expenses allocated to the Supplemental Plan, are approximately *5.6% below* the prorated 6-month budget.

Expense items which vary from the prorated budget by more than 5% and \$5,000 are explained in the attached review.

Supplemental Plan expenses are deducted from total expenses in arriving at total Regular Plan expenses. Expenses are allocated to the two plans on a pro-rata basis, according to the ratio of each plan's assets to the total Group Trust assets. The ratio is derived from the Unitization Report prepared by JPMorgan as of June 30. The ratio is 99.3% Regular Plan to .7% Supplemental Plan.



## 2016 - 6 MONTH REVIEW

DESCRIPTION		2015 6 mos ACTUAL	2016 6 mos BUDGET (as amended)**	2016 6 mos ACTUAL	BUDGET VARIANCE \$ OVER/(UNDER)	BUDGET VARIANCE % OVER/(UNDER)
1	Salaries and benefits	2,145,749	2,124,037	2,091,196	(32,841)	-1.5%
2	Employment expenses	6,199	1,793	8,036	6,244	348.3%
3	Memberships and dues	10,240	9,554	14,791	5,238	54.8%
4	Staff meetings	992	700	508	(192)	-27.4%
5	Employee service recognition	2,092	1,105	490	(615)	-55.7%
6	Member educational programs	8,874	9,725	4,082	(5,643)	-58.0%
7	Member outreach programs	358	375	240	(135)	-36.0%
8	Disability medical evaluations	4,075	7,500	5,585	(1,915)	-25.5%
9	Elections	19,666	-	10,861	10,861	n/a
10	Board meetings	16,391	15,290	5,825	(9,465)	-61.9%
11	Conference registration/materials - Board	20,500	10,800	23,676	12,876	119.2%
12	Travel - Board	81,467	104,200	29,371	(74,829)	-71.8%
13	Conference/training registration/materials - Staff	26,000	26,160	12,001	(14,159)	-54.1%
14	Travel - Staff	21,234	65,850	29,540	(36,310)	-55.1%
15	Building expenses, incl non-capitalizable fixed assets	385,080	350,484	220,994	(129,490)	-36.9%
16	Office supplies	25,491	17,425	16,848	(577)	-3.3%
17	Leased equipment	13,876	12,500	14,779	2,279	18.2%
18	Postage	12,056	15,200	15,773	573	3.8%
19	Printing	36,828	23,913	1,643	(22,270)	-93.1%
20	Repairs and maintenance	17,455	30,225	95,812	65,587	217.0%
21	Subscriptions	975	863	361	(502)	-58.2%
22	Records storage	438	480	534	54	11.3%
23	Liability insurance	150,326	163,189	164,992	1,803	1.1%
24	Bank/security custodian services	100,507	207,520	134,617	(72,903)	-35.1%
25	Actuarial services	92,942	125,000	120,606	(4,394)	-3.5%
26	Accounting services	29,500	29,500	29,500	-	0.0%
27	Independent audit	130,450	82,500	110,000	27,500	33.3%
28	Investment consulting and reporting	163,094	337,500	323,256	(14,244)	-4.2%
29	Real estate consultant	100,000	100,000	40,110	(59,890)	-59.9%
30	Legal fees	500,129	1,000,000	1,140,114	140,114	14.0%
31	Legislative consultants	124,933	130,000	123,055	(6,945)	-5.3%
32	Public relations	70,000	50,000	-	(50,000)	-100.0%
33	Miscellaneous professional services	118,260	26,125	36,434	10,309	39.5%
34	Communications (phone/internet)	34,304	38,400	34,824	(3,576)	-9.3%
35	Business continuity	18,449	24,350	18,467	(5,883)	-24.2%
36	Network security	5,955	25,000	18,495	(6,505)	-26.0%
37	Pension administration software & WMS	140,186	153,000	109,192	(43,808)	-28.6%
38	Information technology projects	68,137	72,500	105,459	32,959	45.5%
39	IT subscriptions/services/licenses	11,000	29,563	7,842	(21,721)	-73.5%
40	IT software/hardware	22,096	21,700	18,003	(3,697)	-17.0%
41	Contingency Reserve	601	-	255	255	n/a
<b>Gross Total</b>		<b>4,736,904</b>	<b>5,444,023</b>	<b>5,138,167</b>	<b>(306,111)</b>	<b>-5.6%</b>
Less: Allocation to Supplemental Plan Budget*		31,026	37,890	35,762	(2,129)	-5.6%
<b>Total Regular Plan Budget</b>		<b>4,705,878</b>	<b>5,406,133</b>	<b>5,102,405</b>	<b>(303,983)</b>	<b>-5.6%</b>

(1) New budget category in 2016. Prior year reclassifications have been made for comparative presentation purposes.

\* Unitization split to Supplemental is based on unitization as of 6/30/16 (.696%)

\*\* 2016 Budget was amended March 10, 2016 related to Travel and Conference expenses

**BUDGET  
2016 - 6 MONTH REVIEW**

**Budget vs Actual variance (>5% and \$5K)**

ITEM	BUDGET	ACTUAL	\$ VARIANCE	% VARIANCE	EXPLANATION
1 Legal fees	1,000,000	1,140,114	140,114	14%	Timing of legal services. Volume of work on pay lawsuit and potential fiduciary claims.
2 Repairs and maintenance	30,225	95,812	65,587	217%	Roof and other leak repairs were budgeted under Building expenses, but expensed to Repairs and maintenance.
3 Information technology projects	72,500	105,459	32,959	45%	Timing of IT projects. Significant Oracle licensing project occurred in first half of year (56K).
4 Independent audit	82,500	110,000	27,500	33%	Timing of audit services, with the bulk performed during first half of year.
5 Conference registration/materials - Board	10,800	23,676	12,876	119%	Timing of attendance of NCPERS Reg and NAF; more conferences attended in first half of year than anticipated for second half of year; Wharton courses registration was higher than anticipated.
6 Elections	-	10,861	10,861	n/a	Member survey related to potential plan amendments.
7 Miscellaneous professional services	26,125	36,434	10,309	39%	Consulting provided by Champion Capital Research related to drafting of Investment Policy Statement.
8 Employment expense	1,793	8,036	6,244	348%	Relocation expenses originally budgeted as Salary & Benefits, but recorded as Employment expense. Actual expense is within budgeted amount
9 Memberships and dues	9,554	14,791	5,238	55%	Timing of membership renewals. Majority occurs in Q1.
10 Member educational programs	9,725	4,082	(5,643)	-58%	Timing of classes, with bulk provided in second half of the year.
11 Business continuity	24,350	18,467	(5,883)	-24%	Phone and internet costs for hot site are slightly less than anticipated. Imaging maintenance contract costs are not incurred until Oct.
12 Network security	25,000	18,495	(6,505)	-26%	Penetration test and security assessment came in under budget.
13 Legislative consultants	130,000	123,055	(6,945)	-5%	Cancellation of legislative NCPERS conference. No increase in fees over prior yr, thus slightly under budget.
14 Board meetings	15,290	5,825	(9,465)	-62%	Reduction in costs for meals and beverages.
15 Conference/training registration/materials - Staff	26,160	12,001	(14,159)	-54%	Fewer conferences than anticipated; no attendance year to date of Wharton programs; less tuition reimbursement than anticipated.
16 IT subscriptions/services/licenses	29,563	7,842	(21,721)	-73%	Timing of recognition of expenses over life of subscriptions.
17 Printing	23,913	1,643	(22,270)	-93%	Elimination of printed newsletters. Reduced costs in producing benefits counseling and course materials.
18 Travel - Staff	65,850	29,540	(36,310)	-55%	Less due diligence travel to date than anticipated and fewer conferences attended in first half of year. Timing of workshop.
19 Pension administration software & WMS	153,000	109,192	(43,808)	-29%	Timing of expected revisions to WebMember Services and pension administration software is primarily in second half of year.
20 Public relations	50,000	-	(50,000)	-100%	No use of public relations firm year to date.
21 Real estate consultant	100,000	40,110	(59,890)	-60%	Termination of Townsend contract in Q1.
22 Bank/security custodian services	207,520	134,617	(72,903)	-35%	Timing of initiation of JPM online services contract did not start until June, although budgeted to start in January. Lower number of accounts this year than at the time budget was prepared.
23 Travel - Board	104,200	29,371	(74,829)	-72%	Less due diligence travel to date than anticipated and fewer conferences attended in first half of year. Timing of workshop.
24 Building expenses, incl non-capitalizable fixed assets	350,484	220,994	(129,490)	-37%	Security savings; utilities less than anticipated; property tax refund received; roof repairs budgeted for under Building exp, but expensed under Repairs & Maintenance.



# DISCUSSION SHEET

## ITEM #C7

**Topic:** Investment reports

**Discussion:** Review of investment reports.



## DISCUSSION SHEET

### ITEM #C8

**Topic:** W. R. Huff Asset Management – W.R. Huff High Yield

**Attendees:** Rhett Humphreys, Partner  
Keith Stronkowsky, Sr. Consultant

**Discussion:** The Board approved a new asset allocation at the March 10, 2016 Board meeting which increased the liquid fixed income allocation from 15% to 28% with a specific 5% sub-allocation to high yield. DPFP's current high yield managers are Loomis Sayles Global Opportunistic and W.R. Huff High Yield. The high yield sub-asset class is over-allocated by 1.3%. Staff and NEPC have reviewed both managers and will discuss their recommendation. The Investment Policy Statement requires Board approval for termination of any manager.

**Staff**

**Recommendation:** **Approve** liquidating DPFP's holdings in Huff High Yield to bring the current allocation in line with the target allocation.

## INVESTMENT RECOMMENDATION

Date: August 11, 2016

To: DPFP Board

From: DPFP Investments Staff

Subject: W.R. Huff High Yield

### Recommendation

Staff recommends liquidating DPFP's holdings in Huff High Yield to bring the current allocation in line with the target allocation.

### Executive Summary

At the March 10, 2016 Board meeting the Board approved an increase to the liquid fixed income target allocation from 15% to 28% with a dedicated 5% sub-allocation to high yield. Current positions in Loomis Sayles Global Opportunistic (Loomis) and W.R. Huff High Yield (Huff) total 6.3% of DPFP's portfolio. In the fixed income structure study, DPFP investment staff and NEPC recommended maintaining the position in Loomis and to look to transition the Huff high yield assets to a new manager around the middle of 2016. Staff and NEPC do not believe it makes sense to transition the Huff high yield assets to a temporary manager and then again to a permanent manager due to the costs involved. The structure study provided for adding 1-2 managers in addition to Loomis Sayles and the expected buildout to be completed between mid to late 2016. If the liquidation is approved, it is expected to receive the proceeds within 30 days of notice with a proposed time frame of hiring a new high yield manager to serve as complement to Loomis in the next coming months. In the meantime, the proceeds will be held in DPFP's control account and invested in the money market fund to be used for future cash flow needs.

Staff reviewed each manager's teams, strategies, performance and fees in order to make this recommendation.

As of 6/30/16	NAV		Pending Redemption	Post Change NAV		Target	Target Range		
	\$	Net %	\$	\$	%	\$	Low	%	High
<b>FIXED INCOME</b>									
Loomis Sayles	121.4			121.4					
W.R. Huff High Yield	46.5		(46.5)	-					
<b>HIGH YIELD</b>	<b>167.9</b>	<b>6.3%</b>	<b>(46.5)</b>	121.4	<b>4.6%</b>	<b>132.5</b>	<b>2%</b>	<b>5%</b>	<b>8%</b>

Staff requested a \$10 million redemption in July from Huff which will be available August 18, 2016 or before. If Huff is terminated, the high yield allocation will be slightly below target after the full redemption.



## **Personnel**

Huff is a much smaller in comparison to Loomis Sayles. Huff's manages between approximately \$2.5 and \$3 billion with 11 investment professionals while Loomis has \$240 billion in assets under management with 680 employees. There is an argument that smaller firms are more nimble in active fund management and could deliver better returns. Loomis adds value to client portfolios through their large proprietary credit research and their ability to predict credit upgrades and downgrades before the ratings agencies react. Their expected alpha lies with their skill in credit research and non-benchmark allocations such as investment grade credit, emerging markets debt, non-dollar debt, and convertible securities.

## **Portfolio**

Both portfolios are in separately managed accounts with specific guidelines that DPFP and the managers agreed upon. DPFP's separately managed account with Loomis can invest in a broad range of global fixed income securities while in DPFP's account with Huff provides for only US fixed income. However, both portfolios can hold a minimal amount of equity as well. Loomis has some emerging market debt exposure and utilizes a blended benchmark; 70% Merrill Lynch High Yield Index and 30% JPM Emerging Markets Bond Index and its objective is to outperform this custom index plus 1% per year. Huff's objective is to outperform the Citigroup High Yield Composite Index by 1.6% over a full market cycle (normally three to five years).

Huff strives for company concentration so that a portfolio's ten largest issues will represent 50-60% of the total portfolio. Huff benefits from the ability to concentrate its holdings in many smaller, lesser-known issues which are not always accessible to larger money managers. The max allocation to a single issue in both portfolios is 10%, however no more than 25% of the Loomis account can be invested in any one industry and there is no industry limitation on the Huff account. Huff typically has 25-40 holdings and a concentration in energy and healthcare. Loomis has approximately 250 issues and is well diversified.

Both strategies utilize a bottom up fundamental approach, are aggressive and have longer durations. Loomis Sayles' and Huff's strategies are similar and staff believes it would serve DPPF better if DPFP had two managers that were complements to one another. Loomis's high yield strategy is on NEPC's Focus Placement List (FPL) of preferred managers, while Huff is not.

## Performance

Both managers have long track records in DFPF's portfolio, Huff since 1991 and Loomis since 1998. The high yield market has suffered over the last few years, but high yield markets have been rallying this year. Performance as of June 30, 2016.

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	7 Yrs (%)	Rank	10 Yrs (%)	Rank	Return (%)	Since
<b>High Yield</b>	<b>167,874,244</b>	<b>100.0</b>	<b>6.8</b>	<b>--</b>	<b>9.8</b>	<b>--</b>	<b>-4.0</b>	<b>--</b>	<b>1.2</b>	<b>--</b>	<b>4.1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>5.4</b>	<b>Dec-10</b>
Barclays Global High Yield			4.4	--	8.7	--	3.8	--	4.3	--	5.7	--	10.1	--	7.8	--	6.3	Dec-10
Loomis Sayles	121,384,460	72.3	7.3	1	9.9	21	-4.4	99	2.5	72	4.0	80	10.6	1	7.6	1	9.5	Oct-98
70% ML HIGH YIELD / 30% JPM EMBI PLUS			5.9	6	10.2	18	5.1	1	5.1	3	6.0	21	9.6	34	7.6	1	8.1	Oct-98
eA Global High Yield Fixed Inc Net Median			3.9		7.5		1.4		3.8		5.4		9.2		7.0		8.8	Oct-98
W.R. Huff High Yield	46,489,784	27.7	5.4	17	9.7	2	-2.7	94	-1.0	99	4.4	87	10.3	14	6.0	87	6.4	Jun-96
Citi High Yield Market Index			6.0	11	9.6	2	0.9	43	3.6	57	5.5	43	9.6	37	7.2	33	7.0	Jun-96
eA US High Yield Fixed Inc Net Median			4.3		6.9		0.8		3.9		5.4		9.1		6.8		6.7	Jun-96

## Pricing

Loomis Sayles fees are 50 basis points (bps) of net asset value (NAV) and Huff has a base fee of 10bps with a performance fee component that could increase the fee up to 1% max if the portfolio's return is in excess of 1.6% of the benchmark's return (Citigroup Composite Bond Index). Huff has not earned the performance fee since third quarter of 2011. The average and median fees rate for high yield bond manager is 50 bps as surveyed by NEPC. DFPF is also invested in Loomis Sayles Senior Floating & Fixed Income fund which receives a 5 bps discount contingent on DFPF's investment in Loomis Sayles Global Opportunistic remaining active.



NEPC, LLC

**To:** Trustees & Staff  
Dallas Police & Fire Pension System (DPFP)

**From:** Rhett Humphreys, CFA, Partner  
Keith Stronkowsky, CFA, Sr. Consultant

**Date:** July 28, 2016

**Subject:** DPFP Portfolio Rebalancing - W.R. Huff High Yield

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**BACKGROUND:**

In March, 2016, DPFP approved a new long-term strategic Asset Allocation. As discussed previously, obtaining these new target allocations will take time, multiple steps, and actions along the way, including the rebalancing of assets across all asset classes as markets allow, and as the cash flow needs of the Plan evolve.

Currently the new Asset Allocation calls for a 5% target allocation to High Yield bonds within the liquid portion of the Fixed Income portfolio. As of the latest valuation report in mid-July (provided by staff) assets within the High Yield bucket consisted of Loomis Sayles (~\$126m) and W.R. Huff (~\$37m), or approximately \$163m and 6.1% of total Plan assets. So structurally, the Plan is currently above target for the High Yield asset class.

**RECOMMENDATION:**

Given the structural overweight to High Yield, we are recommending that DPFP rebalance the Portfolio by continuing the liquidation of the remaining W.R. Huff assets. Proceeds from the liquidation will be used to replenish the cash holdings of the Plan and to satisfy future cash flow needs.





# DISCUSSION SHEET

## ITEM #C9

**Topic:** Possible Plan amendments

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

- a. Election Policy and process
- b. Long-Term Financial Stability Sub-committee recommendations for possible Plan amendments
- c. Discussion of possible Plan amendments

**Discussion:**

- a. The Executive Director will review the process for conducting an election as required by the Election Policy and timeframes for a potential plan amendment election.
- b. The Long-Term Financial Stability Sub-committee, together with DPFP's actuary Segal and staff will review the work done analyzing possible Plan changes and will present a recommendation to the Board for its consideration.
- c. The Board will discuss possible Plan changes.



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# DISCUSSION SHEET

## ITEM #D

**Topic:** Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System

**Discussion:** This is a Board-approved open forum for active members and pensioners to address their concerns to the Board and staff.