

**AGREEMENT
FOR
INVESTMENT CONSULTANT SERVICES**

by and between

THE TEXAS A&M UNIVERSITY SYSTEM

and

MEKETA INVESTMENT GROUP, INC.

This agreement (this "Agreement") is for investment consulting services to be provided by Meketa Investment Group, Inc. ("Consultant") to The Texas A&M University System's (the "A&M System") investment programs, including the Cash Concentration Pool (the "Pool") and System Endowment Fund (the "SEF").

1. Purpose

Consultant agrees to provide the Services (defined in Section 2 below) during the period in which this Agreement is effective.

2. Services

Consultant agrees to perform the following investment consulting services in an effort to help the A&M System in meeting its investment goals (collectively, the "Services"):

- 2.1 Provide preliminary performance reports monthly by the tenth business day of the following month for the Pool and the SEF.
- 2.2 Provide performance measurement, peer comparisons and evaluation reports quarterly for both the Pool and the SEF. These reports shall include return numbers, rankings against similar funds, risk/return analysis, and a balanced policy index comparison. Reconciliation with manager reported returns is expected.
- 2.3 Provide summary performance measurement reports quarterly for distribution to the Board of Regents.
- 2.4 Review asset allocation and investment policy, at least annually, for the Pool and the SEF and, as needed, make recommendations for revisions.

- 2.5 Investment manager searches as requested.
- 2.6 Conduct mutual fund searches as requested.
- 2.7 Assist with other value added programs including, but not limited to, commission recapture, securities lending and cash equalization programs as requested.
- 2.8 Meet with A&M System personnel in College Station, or via teleconference as requested.
- 2.9 Attend and/or present at meetings of the Board of Regents and other meetings as requested.
- 2.10 Provide fee and commission analysis.
- 2.11 As requested, respond to inquiries from A&M System's securities counsel firm, retained and paid by the A&M System, regarding the Services.
- 2.12 Prepare newsletters for the Pool and the SEF as of the end of each fiscal quarter.
- 2.13 Provide historical performance extract for the Pool and the SEF at the end of each calendar quarter.
- 2.14 Provide a monthly beta report to confirm that each equity manager is within compliance parameters compared to its benchmark.
- 2.15 Consult on matters necessary and incidental to the foregoing services.

Notwithstanding anything to the contrary in this Agreement, in no event shall Consultant be requested or required to render or provide any legal, tax or accounting services or advice (or obtain such services or advice) in connection with the Services.

3. Obligations of The Texas A&M University System

The A&M System shall have the ultimate responsibility to make any and all allocation and investment decisions regarding its assets. Neither Consultant nor its representatives or affiliates shall exercise any discretionary authority with respect to the A&M System's assets or any transactions made in connection therewith.

4. Contract Period

- 4.1 This Agreement shall commence on August 1, 2019 and shall terminate on July 31, 2024 unless terminated earlier pursuant to Section 6 of this Agreement.
- 4.2 This Agreement may be renewed for up to five (5) additional years upon mutual agreement of the parties.

5. Fees

- 5.1 Commencing on August 1, 2019, the A&M System shall pay Consultant the fees set forth on Schedule A of this Agreement.
- 5.2 Upon receipt of an acceptable invoice, the A&M System shall pay Consultant said amount in accordance with Chapter 2251, *Texas Government Code*. It is the policy of the State of Texas to make payment on a properly prepared and submitted invoice within thirty (30) days of the later of any final acceptance of performance or the receipt of a properly submitted invoice. Notwithstanding the above, Consultant acknowledges that all obligations of the A&M System under this Agreement are subject to the availability of legislative appropriations.

6. Default and Termination

- 6.1 In the event of substantial failure by a party hereunder to perform in accordance with the terms hereof, the other party may terminate this Agreement upon fifteen (15) days written notice of termination setting forth the nature of the failure (the termination shall not be effective if the failure is fully cured prior to the end of the fifteen-day period), provided that said failure is through no fault of terminating party.
- 6.2 Either party may, without cause, terminate this Agreement at any time upon giving thirty (30) days advance notice to the other party. Upon termination pursuant to this paragraph, Consultant shall be entitled to payment of such amount as shall compensate Consultant for the Services performed from the time of the last payment date to the termination date in accordance with this Agreement, describing the work completed to the date of termination. The A&M System shall not be required to reimburse Consultant for any Services performed or expenses incurred after the termination date.

7. Public Information

Non-publicly available information provided to Consultant by the A&M System pursuant to this Agreement shall remain the exclusive property of the A&M System.

Information and/or materials delivered by Consultant to the A&M System in connection with the Services (“Deliverables”) shall be the exclusive property of the A&M System. Confidential or proprietary information contained in Deliverables that may be confidential under Texas law will be clearly designated as such by Consultant. In the event the A&M System receives a request for public information for any portion of any Deliverable designated by Consultant to be confidential, the A&M System will make a good faith attempt to notify Consultant and Consultant may submit a brief to the Office of the Attorney General, as provided by the Texas Public Information Act, Chapter 552, *Texas Government Code*. Consultant acknowledges that the A&M System is obligated to strictly comply with the Public Information Act in responding to any request for public information pertaining to this Agreement.

Consultant acknowledges that the A&M System may be required to post a copy of a fully executed copy of this Agreement on its internet website in compliance with Section 2261.253(a)(1), *Texas Government Code*.

8. Alternative Dispute Resolution

The dispute resolution process provided in Chapter 2260, *Texas Government Code*, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by the A&M System and Consultant to attempt to resolve any claim for breach of contract made by Consultant that cannot be resolved in the ordinary course of business. Consultant shall submit written notice of a claim of breach of contract under this Chapter to the Chief Investment Officer and Treasurer for the A&M System, who shall examine Consultant’s claim and any counterclaim and negotiate with Consultant in an effort to resolve the claim.

9. Notices

Any notice required or permitted under this Agreement must be in writing, and shall be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address set out below. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, email or other commercially reasonable means and will be effective when actually received. The A&M System and Consultant can change their respective notice address by sending to the other party a notice of the new address. Notices should be addressed as follows:

A&M System: The Texas A&M University System
Office of the Chief Investment Officer and Treasurer
301 Tarrow Street, 5th Floor
College Station, TX 77840
Attn: Ms. Maria L. Robinson
Phone: (979) 458-6330
Fax: (979) 458-6247
Email: mrobinson@tamus.edu

Consultant: Meketa Investment Group, Inc.
100 Lowder Brook Drive, Suite 1100
Westwood, MA 02090
Phone: (781) 471-3500
Fax: (781) 471-3411
Attn: Legal Department
Email: tzayac@meketagroup.com

10. Miscellaneous

The A&M System recognizes that the recommendations provided by Consultant under this Agreement are consultative in nature, and based upon such information and analysis as Consultant deems reasonable under the circumstances. Consultant does not expressly or implicitly guarantee the future performance of the investments or any specific level of performance, or the success of any investment strategy that Consultant may use or recommend. The A&M System acknowledges that there is no guarantee that its investment objectives will be achieved and agrees that Consultant will not be held liable for under-performance or for any losses in the investment portfolios or programs of the A&M System. Consultant shall not be held liable for the A&M System's failure to inform Consultant in a timely manner of any material change in the A&M System's financial circumstances which would reasonably likely affect the Services.

Consultant shall indemnify the A&M System for any loss or liability, including reasonable attorneys' fees, arising from any third party claim ("Loss"), but only to the extent it is determined that such Loss was due to Consultant's (a) bad faith, willful misfeasance, gross negligence or reckless disregard of its duties in its performance of Services; or (b) constituted a breach of the duties imposed upon Consultant as a fiduciary under applicable law (except to the extent that any Loss arose derivatively from the acts or omissions of the A&M System) or a violation of other applicable federal or state law. Notwithstanding the foregoing, to the extent permitted by the laws of the State of Texas, the A&M System will not hold Consultant, its affiliates, or their respective shareholders, members, directors, officers, employees or agents liable (whether on a tort, breach of contract or other theory) for any error of judgment, mistake of law, investment advice or any Loss suffered by the

A&M System in connection with, or acts or omissions under or pursuant to, this Agreement except a Loss resulting from Consultant's breach of its fiduciary duties, will misfeasance, bad faith, gross negligence or reckless disregard of its duties in its performance of the Services. The A&M System does not hereby waive any right or cause of action that may be available to it under applicable federal or state securities laws.

The A&M System understands that Consultant and its affiliates may perform investment consulting and/or investment management for other clients. Consultant, its personnel and affiliates ("Affiliated Persons") may give advice or take action in performing their duties to other clients or for their own accounts that differs from the advice given, or the timing of or nature of any action taken or not taken, for the A&M System. In addition, Consultant may, but is not obligated to, recommend for purchase or sale any security which Consultant or its Affiliated Persons may purchase or sell for their own accounts or the account of any other client. This Agreement does not limit or restrict in any way Consultant or any of its Affiliated Persons from buying, selling or trading in any securities or other investments for their own accounts.

Consultant shall neither assign nor delegate its duties under this Agreement without the prior written consent of the A&M System.

The A&M System agrees that its institutional name and the amount of its assets under Consultant's advisement may be included on Consultant's published client list for marketing purposes. Consultant must obtain written permission prior to including the A&M System seal or logo on publications for marketing purposes. Consultant agrees that, other than in connection with the purpose set forth in the foregoing sentence, it will not disclose, publish, or disseminate the A&M System name to the general public.

Consultant shall be an independent contractor, and neither Consultant nor any employee of Consultant shall be deemed to be an agent or employee of the A&M System. As an independent contractor, Consultant will be solely responsible for determining the means and methods for performing the Services. Consultant shall observe and abide by all applicable laws and regulations, policies and procedures, including but not limited to, those of the A&M System relative to conduct on the A&M System's premises.

This Agreement, together with Schedule A, constitutes the sole agreement of the parties and supersedes any other oral or written understanding or agreement. This Agreement may not be amended or otherwise altered except upon the written agreement of both parties.

This Agreement shall be construed under the laws of the State of Texas, and venue for any action brought hereunder shall be Brazos County, Texas. To the extent that the applicable laws of the State of Texas conflict with applicable provisions of federal securities laws, the latter shall control.

The A&M System hereby acknowledges that it has received and had an opportunity to review a copy of Consultant's Form ADV, Part 2A, as required by Rule 204-3 if the Investment Advisers Act of 1940, as amended.

Custody of the A&M System's assets will be maintained in an account ("Account") with the custodian selected by the A&M System (the "Custodian"). Consultant will not have custody of any assets in the Account. The A&M System will be solely responsible for paying all fees or charges of the Custodian. The A&M System will instruct Custodian to send Consultant monthly and quarterly statements showing all transactions occurring in the Account during the period covered by the account statement, and the funds, securities and other property in the Account at the end of such period.

11. Certifications

By agreeing and signing this Agreement, the Consultant hereby makes the following certifications and warranties:

- 11.1 Delinquent Child Support Obligations. A child support obligator who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent is not eligible to receive payments from state funds under an agreement to provide property, materials, or services until all arrearages have been paid or the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency. The *Texas Family Code* requires the following statement: "Under Section 231.006, *Texas Family Code*, the vendor or applicant certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate."
- 11.2 Prohibited Bids and Agreements. A state agency may not accept a bid or award a contract that includes proposed financial participation by a person who received compensation from the agency to participate in preparing the specifications or request for proposals on which the bid or contract is based. The *Texas Government Code* requires the following statement: "Under Section 2155.004, *Texas Government Code*, the vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated if this certification is inaccurate."
- 11.3 Previous Employment with the A&M System. Consultant acknowledges and understands that Section 2252.901, *Texas Government Code*, prohibits the A&M System, a state agency, from using state appropriated funds to enter into any employment contract, consulting contract, or professional services contract with any

individual who has been previously employed, as an employee, by the agency within the past twelve (12) months. If Consultant is an individual, by signing this Agreement, Consultant certifies that Section 2252.901, *Texas Government Code*, does not prohibit the use of state appropriated funds for satisfying the payment obligations herein.

- 11.4 Franchise Tax. If Consultant is a taxable entity subject to the Texas Franchise Tax, (Chapter 171, *Texas Tax Code*), then Consultant certifies that it is not currently delinquent in the payment of any franchise taxes or that Consultant is exempt from the payment of franchise taxes.
- 11.5 Debt to State. Pursuant to Section 2252.903, *Texas Government Code*, Consultant agrees that any payments owing to Consultant under this Agreement may be applied directly toward certain debts or delinquencies that Consultant owes the State of Texas or any agency of the State of Texas regardless of when they arise, until such debts or delinquencies are paid in full.
- 11.6 Non-waiver Provision. Consultant expressly acknowledges that the A&M System is an agency of the State of Texas and nothing in this Agreement will be construed as a waiver or relinquishment by the A&M System of its right to claim such exemptions, privileges, and immunities as may be provided by law.
- 11.7 State Auditor's Office. Consultant understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Section 51.9335(c), *Texas Education Code*. Consultant agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation, providing all records requested. Consultant will include this provision in all contracts with permitted subcontractors.

[Signature Page Follows]

Acceptance of this Agreement will be indicated by the signature of authorized officials of the A&M System and Consultant.

Effective Date of this Agreement: August 1, 2019

MEKETA INVESTMENT GROUP, INC.

By: 

Name: Stephen P. McCourt

Title: Co-Chief Executive Officer

THE TEXAS A&M UNIVERSITY SYSTEM

By: 

Maria L. Robinson

Chief Investment Officer and Treasurer

SCHEDULE A

FEE SCHEDULE

The annual fee (inclusive of all expenses incurred by Consultant) for the Services is \$550,000. Such fees shall be payable quarterly in arrears. For any partial quarterly billing period, the fees be prorated, based on the number of days services were provided under this Agreement during such quarter.