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**Questions and Answers 2**

**RFP No. 25-02**

**Investment Management Services**

**October 15, 2025**

**Question 1:** Can you share the average liability duration for the LTB portfolio

**Answer:** 11-14 years

**Question 2:** What is liability exposure beyond 30 yrs?

**Answer:**  There are exposures beyond 30 years since LTB reserves are based on life expectancy estimates. Most exposure is within 30 years.

**Question 3:** Are loss restrictions on each security, or net of all transactions?

**Answer:**  There are loss restrictions for the government portfolio only. Losses can be offset with gains upon Pool approval.

**Question 4:** Can you provide security level book yields?

**Answer:**  Book yields will not be provided.

**Question 5:** We noticed existing exposure to Texas municipal securities in the portfolio.  Does TMLIRP receive any added benefit from owning Texas municipal securities?

**Answer:**  No added benefit. The Pool does not limit munis to Texas-based munis.

**Question 6:** Are CLOs permitted within ABS in the corporate portfolio?

**Answer:** Not currently.

**Question 7:** Are Yankee bonds permitted in the corporate portfolio (bonds issued in US Dollars from non-US issuers)?

**Answer:**  The Pool’s investment policy does not address Yankee bonds specifically. Please refer to Authorized Investments and Benchmark in the Pool’s investment policy.

**Question 8:** Given the size of the model portfolios ($200 million) are different from the actual portfolio size, should we assume a blank page model funding from cash? Or should we be using the existing holdings at current % exposure size?

**Answer:** The Pool will accept either method.

**Question 9:** For this RFP, would you accept a submission of a representative product that aligns with portions of your government bond customized benchmark? If selected, we would develop and implement a strategy specially designed to match the full customized benchmark using our systematic approach.

**Answer:**  All submissions will be considered.

**Question 10:** Why is the search being conducted at this time?

**Answer:**  Due diligence and comprehensive review of the investment management structure.

**Question 11:** Who are the current external managers for the government and corporate portfolios?

**Answer:**   Conning Asset Management and Manulife Asset Management.

**Question 12:** Are those firms welcome to rebid?

**Answer:**   Yes.