

Attachment 1
Terms of Agreement between the
State of Alaska,
Alaska Permanent Fund Corporation and
xxxxxxxxxxxxxxxx, Investment Advisor

This agreement is entered into between the Alaska Permanent Fund Corporation (“APFC”) and xxxxxxxxxxxxxxxx (“Appointee”) regarding a position as an Investment Advisor pursuant to the terms and conditions set out herein.

1. **Term.** The term of this agreement is for a three-year contract starting July 24, 2023. The APFC in its sole discretion may reappoint the Appointee for an additional term.
2. **Performance.** Appointee will serve as an Investment Advisor appointed by the Board as a member of the Investment Advisory Group. Responsibilities include, but are not limited to:
 - a. Advising the Board on best practices in the management of large institutional funds.
 - b. Advising the Board, as requested, on the following major policy issues:
 - a. The long-term or strategic asset allocation policy of the Fund;
 - i. The risk management framework of the Fund;
 - ii. Any changes to the investment policy statement of the Fund;
 - iii. Anchor proposed investment in new asset classes;
 - iv. Any proposed investment in new or innovative investment products or strategies, particularly those involving alternative or non-traditional asset classes, excluding traditional publicly traded stocks, bonds and short-term assets;
 - v. Any significant changes to the investment management structure of the Fund, including, but not limited to, the following:
 - i. The relative proportion of assets in an asset class managed by external investment managers versus internal staff;
 1. The relative proportion of assets in an asset class managed using active versus passive investment strategies;
 2. The total number of active investment managers or portfolios in an asset class.
 - vi. Any other issue at the discretion of the Investment Advisory Group or as requested by the Board.
 - c. Attending at least three board meetings a year in Alaska which normally last two days. Meetings may be held via teleconference at the Board’s discretion.

3. Meeting Attendance. Appointee shall make best efforts to attend three meetings of the Board annually and such other meetings as the Appointee may be requested to attend by the APFC. If circumstances prevent attending in person, attendance by teleconference may be acceptable if approved in advance by the APFC. A presumption in favor of termination of this agreement shall exist if the Appointee fails to attend three meetings of the Board during any 12-month period.
4. Fiduciary Relationship. The Appointee acknowledges that while performing the services under this agreement, the Appointee will be acting under a delegation of investment powers or fiduciary duties conferred on the Board under state law and is thus in a fiduciary relationship with the Board and the State of Alaska.
5. Fees Paid. In full consideration of the Appointee's performance, the APFC shall pay the Appointee a sum not to exceed \$30,000 annually during the term of this contract consisting of:
 - a. \$1,000/month as a retainer fee;
 - b. \$1,000 per meeting day of participation at Board meetings;
 - c. \$1,000 travel time payment per meeting attended to compensate for time spent traveling to and from the meeting; and
 - d. Travel expenses, including coach airfare, hotel, and per diem meal expense reimbursement at the approved State rate (expenses must be paid by the Appointee, subject to reimbursement).

Payments under this agreement are contingent upon legislative appropriations for funding each year. The APFC is liable only for payment in accordance with this section for services rendered before the effective date of any termination. The APFC assumes no liability for work done, even in good faith, prior to the effective date of this agreement, or during periods of suspension. This agreement is valid upon the signature of the APFC Chief Executive Officer.

6. Termination or Suspension.
 - a. Appointee serves at the pleasure of the APFC, and the term of this agreement may be terminated or suspended at any time by the APFC. The decision of the APFC respecting termination or suspension is final. The Appointee may terminate this agreement upon sixty days' written notice to the APFC.
 - b. A suspension under this agreement is a period of time during which the Appointee shall not be required to perform services. Suspension occurs upon direction of the APFC for periods during which the Appointee's performance, issues of conflict or fitness are being evaluated or investigated by the APFC. A suspension does not operate to extend the term of this agreement set out in Section 1.
 - c. In the event of a termination or suspension, the Appointee shall have no rights to compensation for services or costs arising after the date of the termination or during the period of suspension.

- d. In the event of a termination or suspension, the APFC may, in its sole discretion, allow or request the Appointee to present the Appointee's position respecting such action. Such presentation shall be in executive session of the Board of Trustees of the APFC ("Board") to the extent permitted by law.
 - e. The Appointee shall notify the chair of the Board within twenty days of any of the following:
 - i. any lawsuit filed by or against the Appointee;
 - ii. cancellation of a professional license or certificate held by the Appointee;
 - iii. any financial investigation to which the Appointee is a party;
 - iv. arrest of the Appointee on a felony or misdemeanor charge; or
 - v. termination of the Appointee's employment at any firm or agency or a request that the Appointee resign from such employment.
7. Ownership of Work Product. Work performed by the Appointee for the APFC shall become the property of the APFC, provided, however, that such materials as the Appointee provides to the APFC which have been otherwise published or which have copyright or other trademark rights shall remain the property of the creator of such work or the owner of such rights.
8. Confidentiality. The Appointee shall maintain as confidential the work performed by the Appointee for the APFC to the extent required by law when necessary to preserve confidentiality, privacy, or trade secrets. The Appointee shall direct any request for access to the Appointee's APFC-related work or files to the APFC.
9. Disclosure. To avoid conflicts or the appearance of conflicts, no later than thirty days after the effective date of this agreement, the Appointee shall file with the APFC a disclosure statement identifying all clients advised by the Appointee, entities in which investments are held by the Appointee, other appointments of the Appointee as an investment advisor and such other matters as may be from time to time required by state law or the APFC. The Appointee shall update the disclosure statement annually during the term of this agreement, or state in writing that there are no material changes to disclose over the course of the year.
10. Conflicts. Appointee shall disclose to APFC any material beneficial interest held in businesses or employment by businesses for whom APFC is a potential customer or client. Unless this Conflicts provision is expressly waived by APFC, members of the IAG are not permitted to solicit business or market in any way to APFC.
11. Notices. Notices by and between the parties to this agreement shall be as follows:

Alaska Permanent Fund Corporation
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