

**Request for Proposals
("RFP"):**

Date: May 6, 2026

**Investment Advisory
Services**

**RE: Addendum # 2
of #
Pages:**

BPCA's RESPONSES TO SUBSTANTIVE QUESTIONS: Below are the responses to substantive questions received by Battery Park City Authority ("BPCA") by Wednesday, May 6, 2026, in connection with this RFP. Addendum #2 reflects questions received during the initial Q&A period.

Please ensure that all submissions include acknowledgment of this addendum.

The deadline for proposal submissions remains unchanged.

By signing the line below, I am acknowledging that all pages of this Addendum #2 have been received, reviewed and understood, and will be incorporated into the Proposal submitted. This document must be attached to the Proposal for consideration.

Print Name

Signature

Date

Number of pages received: _____ <fill in>

Distributed to: All prospective Proposers

The following is a list of responses to initial questions submitted by prospective respondents to the RFP for Investment Advisory Services

Question	Response
<p>Q1. Does the RFP permit a sub-advisor or subcontractor structure for the lead advisory role itself, or only for ancillary services? Section IV.A requires the Proposer to be Investment Advisers Act registered, while Section V.B.1.b references subcontractor roles, so we wanted to confirm how BPCA views this structure and where fiduciary responsibility should reside.</p>	<p>A1. BPCA requires both Lead Advisor and any Subcontractor to be registered under the Investment Advisers Act since they will each have a fiduciary responsibility to BPCA.</p>
<p>Q2. Section IV.A.3 requires the Lead Manager and at least one Portfolio Manager to have ten years of similar experience. Can one individual satisfy both roles, or must a separate Portfolio Manager be designated?</p>	<p>A2. BPCA will review all proposals and evaluate them accordingly, however, BPCA anticipates that a firm capable of managing the portfolio would have a Lead Advisor and a senior Portfolio Manager.</p>
<p>Q3. Who is BPCA's current custodian?</p>	<p>A3. Bank of New York Mellon is the trustee and custodian of the assets.</p>
<p>Q4. What systems does BPCA currently use for: a) Portfolio accounting b) Performance reporting</p>	<p>A4. None currently. Proposers are encouraged to include recommended software that you have experience using in your proposal.</p>
<p>Q5. Is there a preference for: a) Outsourced reporting solutions, or b) Integration with BPCA's internal systems?</p>	<p>A5. While our goal is full integration with BPCA's internal systems, we currently utilize several third-party financial software solutions and will consider proposed outsourced reporting options.</p>
<p>Q6. Is it possible to share a current asset allocation breakdown?</p>	<p>A6. We are allocated 100% in fixed income investments in accordance with our Investment Guidelines.</p>
<p>Q7. Of the approximately \$1.2B portfolio, what percentage is: a) Short-term liquidity vs. long-term capital, b) Actively managed vs. passively managed.</p>	<p>A7. a) 75% short-term liquidity / 25% long-term capital. b) 100% actively managed.</p>

Question	Response
<p>Q8. Are there statutory or policy constraints related to:</p> <ul style="list-style-type: none"> a) Duration b) Credit quality c) Eligible instruments (e.g., Treasuries, agencies, corporates, alternatives) 	<p>A8. Restrictions are outlined in our Investment Guidelines, available on BPCA’s website here:</p> <p>https://bpca.ny.gov/publicinfo/bpca-investment-report-guidelines/</p>
<p>Q9. Are derivatives, structured products, or alternative investments permitted?</p>	<p>A9. Derivatives are subject to NY State Public Authorities Law and our Interest Rate Derivatives policy which can be found on BPCA’s website via the link contained the response to question 8, above.</p>
<p>Q10. How frequently have the Investment Guidelines historically been updated?</p>	<p>A10. At least annually.</p>
<p>Q11. What are BPCA’s typical liquidity needs (e.g., weekly or monthly cash outflows)?</p>	<p>A11. Weekly.</p>
<p>Q12. Is success measured primarily on:</p> <ul style="list-style-type: none"> a) Absolute return b) Relative performance c) Risk-adjusted metrics 	<p>A12. See the objectives in the Investment Guidelines. We take into consideration both absolute return and performance against selected benchmarks.</p>
<p>Q13. Does BPCA view this role as:</p> <ul style="list-style-type: none"> a) A non-discretionary advisory relationship, or b) A delegated / OCIO-style implementation partner? 	<p>A13. A delegated / OCIO-style implementation partner.</p>
<p>Q14. What level of authority, if any, would the advisor have with respect to:</p> <ul style="list-style-type: none"> a) Trade execution b) Manager selection c) Tactical allocation changes 	<p>A14. Trade execution and tactical allocation within the boundaries of our Investment Guidelines. We do not currently have any passive strategies that rely upon external managers.</p>
<p>Q15. In terms of portfolio data and reporting, how does BPCA envision delivery of current and historical transactions, income, and valuation information (e.g., online access, data feeds), and at what level of timeliness (real-time, prior day, month-end)?</p>	<p>A15. BPCA requires online access and prefers real time reporting. We are embarking on improved automation and would prefer data feeds, where possible. The proposal should clearly state reporting capabilities and whether real time or prior day. We require periodic portfolio reports to be submitted on either a month-end or quarter-end basis, or both.</p>

Question	Response
Q16. Should we assume, the advisor would be responsible for reconciling holdings and transactions, or would that remain with the custodian or another provider?	A16. The advisor would be responsible for reconciliation relative to the custodian.
Q17. Are there specific system requirements we should keep in mind for BPCA's access to reporting?	A17. We require online access to the firm's reporting system, where we will require the capability to download into excel.
Q18. How would BPCA like to see projection reporting handled, particularly with respect to trade settlement (future maturities), capital changes (pay-downs), and income events (interest earnings)? Should sample projection reports be included in the proposal?	A18. Yes. BPCA would like to see a sample projection report in the technical proposal
Q19. Are there any current stakeholder priorities or policy considerations that would be helpful for us to keep in mind (e.g., ESG focus, MBE/WBE participation goals, or New York-based economic impact)?	A19. Such considerations, including MBE/WBE participation goals, are as stated in the RFP.
Q20. What level of compliance monitoring is expected from the advisor?	A20. High level, including complying at all times with the Investment Guidelines.
Q21. Are there specific regulatory or reporting requirements tied to BPCA's status as a public authority?	A21. Speaking generally, BPCA is subject to New York State Public Authorities Law. However, BPCA expects the successful proposer to be aware of any existing or forthcoming regulatory/reporting requirements that may impact the work.
Q22. Provide additional information on the objectives, risk tolerance, and liquidity preferences for each pool of assets.	A22. See the response to question 8 above.

Question	Response
Q23. Provide any commentary on the time horizon of future outflows projected for each pool of assets.	A23. Our pledged revenue and unpledged revenues cycle annually as do the debt service reserve funds. The bond funds are drawn based on capital needs. New money bond funds we anticipate paying down within 18 months of each issuance, with all 2025-2030 new money utilized by 2031. OPEB and corporate funds are longer term assets with minimal draws.