**LEGAL SERVICES AGREEMENT FOR**

**SECURITIES LITIGATION MONITORING COUNSEL**

This Legal Services Agreement for Securities Litigation Monitoring Counsel (“Agreement”) is made between the Orange County Employees Retirement System (“OCERS”) and [**Firm]** ("FIRM"). OCERS and FIRM are sometimes individually referred to as “Party” and collectively as “Parties.” **The Parties hereby agree as follows:**

**1. Mutual Responsibilities**

The FIRM will assist OCERS with the identification and evaluation of potential and pending securities actions within the United States and in foreign jurisdictions in which OCERS has suffered losses, should file a claim, or should consider active participation according to the factors set forth in OCERS' Securities Litigation Policy. A copy of this policy is attached as Exhibit “A” and incorporated herein by this reference. Furthermore, The Firm will provide OCERS with the services as set forth in Exhibit “B.” .

OCERS will cause its custodial bank (“Custodian”) to provide the FIRM access to OCERS’ securities holdings, which may include online access, downloading, hardcopy printing, and spreadsheet information. In addition, OCERS will instruct its Custodian to provide such additional information it has or has access to regarding trades involving the OCERS portfolio, as reasonably requested by the FIRM.

FIRM agrees to provide services to and on behalf of OCERS as set forth in more detail in Exhibit “B”.

**2. Term**

The term of this Agreement will commence upon the effective date entered herein below and will continue for three (3) years from the effective date ("Term"), unless earlier terminated as provided herein. The Parties may, by mutual written agreement, extend the Term for up to three (3) additional twelve (12) month periods. In no event shall the total term of this Agreement exceed seventy-two (72) months.

**3. Non-Exclusive Agreement**

FIRM will provide the Services to OCERS under this Agreement on a non-exclusive basis. OCERS will have no obligation to take any action with respect to any securities action that the FIRM brings to its attention, and FIRM will have no obligation to represent OCERS in connection therewith. In the event OCERS does decide to pursue such an action, it agrees to consider retaining the FIRM to represent it. However, nothing in this Agreement should be construed to require OCERS to retain FIRM.

# 4. Confidentiality

In the course of performing services under this Agreement, the FIRM may have access to confidential information, including the securities holdings and practices of OCERS and its Custodian. FIRM agrees the information is provided on a confidential basis and will be utilized by the FIRM solely in connection with providing the services described in this Agreement. FIRM hereby covenants and agrees not to bring suit against OCERS or its agents, including the Custodian, or represent a plaintiff against them, based upon the FIRM’s receipt or awareness of information or procedures gained from its provision of services under this Agreement. Furthermore, the FIRM agrees the information, including procedures utilized by OCERS and its Custodian, is protected by the attorney-client privilege and the FIRM agrees not to disclose any such information or procedures to third parties unless OCERS has given its prior written consent, or unless required to by law, subpoena, or other legal process. FIRM further agrees to promptly notify the OCERS General Counsel of any such requirement.

**5. Conflicts of Interest**

Before undertaking any work on OCERS’s behalf, the FIRM shall conduct a conflict check to ensure that the FIRM has no legal conflicts of interests between any former or existing client and OCERS. FIRM shall also immediately notify in writing OCERS General Counsel of any actual or potential conflicts of interest discovered during the Term of this Agreement. FIRM shall not directly or indirectly receive any benefit from recommendations made to OCERS and shall disclose to OCERS any personal investment or economic interest of FIRM which may be enhanced by the recommendations made to OCERS. FIRM acknowledges that OCERS is subject to the provisions of the Fair Political Practices laws of California (Government Code section 81000 et seq. and all regulations adopted thereunder, including, but not limited to, California Code of Regulations section 18700 et seq.) and FIRM shall comply promptly with any requirements thereunder.

# 6. Fees and Expenses

FIRM will not charge OCERS for any costs or expenses incurred by itself or its agents in performing services under this Agreement but agrees to perform these services in exchange for OCERS consideration of the FIRM to represent it in connection with a securities action. If OCERS does retain the FIRM to represent OCERS in any such action, such representation will be pursuant to a separately negotiated and executed retainer agreement.

**7. Termination for Convenience**

Either Party may terminate this Agreement for any reason or for no reason on thirty (30) days’ written notice to the other Party. The rights and obligations contained in Section 4 (Confidentiality) and Section 8 (Indemnification) will survive any termination or expiration of this Agreement.

**8. Indemnification**

The FIRM agrees to indemnify, defend, hold harmless OCERS, its officers, employees, and agents from and against any and all liability, suits, expense (including defense costs and legal fees), judgments, fines, and penalties, and claims for damages of any nature whatsoever, including but not limited to, breach of contract, loss of funds, death, bodily or personal injury to any person, or damage to any property, arising from or connected with the FIRM’s operations or its services hereunder, or any and all improper or unethical practices, including but not limited to any Workers Compensation suits, liability, or expense arising from or connected with services performed on behalf of the FIRM by any person pursuant to this Agreement.

**9. Insurance**

Throughout the term of this Agreement, FIRM shall carry insurance coverage for the types and minimum amounts as follows:

A. Commercial General Liability (CGL) of no less than $1 Million per occurrence.

B. Automobile Liability of no less than $1 Million per accident for bodily injury and property damage.

C. Workers’ Compensation at no less than statutory levels per accident for bodily injury or disease.

D. Legal malpractice insurance coverage of no less than $1 Million per occurrence, $2 Million aggregate.

Prior to beginning any work under this Agreement, FIRM shall provide to OCERS certificate(s) of insurance for all required coverage. Additionally, FIRM shall provide additional insured endorsements naming OCERS, their officers, officials and employees, as additional insured in the case of Commercial General and Automotive Liability.

**10. Authority to Enter Agreement**

FIRM has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

**11. Governing Law; Venue**

This Agreement shall be governed by the laws of the State of California. The exclusive venue for any dispute arising out of or relating to this Agreement shall be in Orange County, California.

**IN WITNESS THEREOF**, the Parties hereto have caused this Agreement to be executed by their duly authorized officers, and effective as of \_**[DATE]**\_\_\_\_\_\_.

**OCERS**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Manuel D. Serpa

General Counsel

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Name]

[Title]

**FIRM**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Name]

[Title]

**Exhibit A**

**OCERS Securities Litigation Policy**

**Exhibit B**

**Scope of Services**

FIRM will provide the following securities litigation monitoring services:

* Obtain OCERS’ securities trading and holdings information directly from OCERS’ custodial bank.
* Identify and monitor domestic securities class actions and analyze OCERS’ estimated losses.
* Provide timely notice and analysis of securities class actions filed in the U.S. where OCERS has suffered losses that meet its Loss Threshold (as defined in the OCERS Securities Litigation Policy) and active participation may be warranted; or where other factors exist that justify OCERS’ consideration of the case; Identify, monitor, and provide timely notice to OCERS of securities actions that are filed or may be filed outside the United States, and provide an analysis of OCERS' estimated loss, if any, in the affected security or securities in each action.
* Provide reports of newly-filed domestic securities class actions and OCERS’ estimated losses on at least a quarterly basis.
* Identify and monitor securities actions in foreign jurisdictions, and provide an analysis of OCERS’ estimated losses in the affected securities.
* Provide timely notice and analysis of those foreign securities actions where OCERS has suffered losses that meet its Foreign Loss Threshold or where other factors exist that justify OCERS’ consideration of the case.
* Assist OCERS in joining and filing claims in foreign securities actions in which OCERS Investment Committee approves active participation.
* Assist OCERS in identifying meritorious U.S. securities class actions in which OCERS has substantial losses or significant holdings, determining the relevant statutes of repose, monitoring the progress of the litigation, and evaluating whether to file a protective claim, or motion before a significant repose period expires.