

**ROTMAN INTERNATIONAL CENTRE FOR PENSION MANAGEMENT (ICPM)
The Joseph L. Rotman School of Management, University of Toronto**

Open Request for Research Proposals

I. BACKGROUND AND PURPOSE

The **Rotman International Centre for Pension Management (ICPM)** is a new research centre at the Joseph L. Rotman School of Management, University of Toronto. The Centre is supported by an international consortium of 15 major pension organizations. The mission of ICPM is to foster integrative thinking about optimal 'pension deal' design, 'pension deal' financing, and the effective design and management of pension organizations.

The Centre and its partners believe that 'out of the box' research is central to achieving its mission. Other than requiring that research proposals focus on one or more of the six areas listed below, there are no restrictions on the types of research strategies to be employed, or on how results are to be presented. The six research areas are:

1. Financial characteristics and viability of various forms of pension arrangements. Explorations should not be limited to only the traditional DB and DC options.
2. Identification and management of agency issues in the pensions field. Possible agency issues include misalignment of financial interests and/or informational asymmetry between various parties to pension arrangements.
3. Effective governance and organization design of pension funds. Issues include the selection and evaluation of boards of trustees, internal versus outsourcing strategies, and the measurement of organization performance on both the investment and benefit administration sides of the organization.
4. Formation and revision of defensible investment beliefs. For example, historically, investment strategies were underpinned by assumptions that return distributions were identically, independently distributed. These assumptions are now being questioned, with important implications for how asset classes, investment styles and mandates should be defined.
5. Relevant definitions, measurement, and management of pension stakeholder risk exposures. Issues include the measurement and allocation of risk exposures in shared-risk arrangements, and the measurement and management of individual risk tolerances when risk is individualized.
6. Design of optimal implementation strategies. Presumably, such strategies combine modern financial engineering techniques with scope for human judgment.

Please visit the Centre's website www.rotman.utoronto.ca/icpm for more detailed information regarding research projects currently underway as well as papers that have been presented at past workshops and colloquia in the six research areas detailed above.

II. PROJECT SELECTION AND OVERSIGHT

The ICPM Research Committee will evaluate submitted research proposals promptly. Selection criteria include perceived value of possible research findings, research strategies to be employed, uniqueness, qualifications of the researcher(s), and project cost. The ICPM Research Committee will also be responsible for progress oversight of accepted proposals.

III. SCHEDULE

Proposals must be received no later than 12noon on Friday, September 29, 2006. The proposals to be funded, if any, are anticipated to be selected on or before Friday, November 17, 2006.

IV. PROPOSAL

All applications for funding must consider the following as minimal submission criteria:

1. Research proposal (limited to 5 pages) that addresses the following:
 - a. Reflect the six research areas of interest to ICPM detailed above
 - b. Articulate the research objective clearly
 - c. Describe the research strategies/methodologies to be employed
 - d. Indicate a possible project start date and target completion date
2. Provide a breakdown of requested funding
3. Provide current CVs of the researcher(s) who will be involved in the project
4. Brief list of current other support (grants, awards, etc.)

V. QUESTIONS

Any questions regarding this Open Request for Research Proposals should be directed via e-mail to:

Ann Henhoeffler
Associate Director, Operations and Planning
Rotman International Centre for Pension Management
151 Bloor Street West, Suite 702
Toronto ON M5S 1S4
Voice: 416.925.7525
Fax: 416.925.7377
Email: icpm@rotman.utoronto.ca

Questions and Answers will be posted on the ICPM website at www.rotman.utoronto.ca/icpm in order to ensure full disclosure.

VI. SUBMISSION OF PROPOSAL

Please email a PDF of the proposal to:

Ann Henhoeffler, Associate Director, Operations and Planning at icpm@rotman.utoronto.ca

Submissions in hard-copy format will not be accepted.

Proposals must be received no later than 12noon EST on Friday, September 29, 2006.

VII. TERMS CONDITIONS

The ICPM Research Committee reserves the right to not accept proposals submitted in response to this Open Request for Proposals, with or without reason. The Joseph L. Rotman School of Management, University of Toronto also reserves the right to modify a project as is deemed advisable, before sponsorship is awarded.

The Rotman International Centre for Pension Management expects the researcher(s) to be prepared to present their findings at an ICPM-sponsored event. The research paper may be included in documentation to interested parties, and posted on the ICPM website.

Please email a PDF of the proposal to:

Ann Henhoeffler at icpm@rotman.utoronto.ca

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