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| Request for Proposal for ILS Funds |

Korea Post hereby would like to announce the fund selection plan for ILS funds. ILS managers wishing to participate are invited to submit their proposals in accordance with the guidelines and requirements stated herein.

*\* This RFP is written in both Korean and English languages. In case of conflict between the two versions, the Korean version shall prevail.*

**1. Qualifications**

1.1. Korean and foreign financial companies managing or marketing ILS funds

* Each ILS manager can propose maximum one fund per strategy and maximum two funds overall for this RFP.
* In case of duplicate proposals by the ILS manager and its sales agent, only the proposal by the ILS manager is accepted.

1.2. Qualifications (as of Dec 31, 2016)

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| Category | Qualifications |
| Asset class | Insurance-Linked Securities *\* Blended, or any other funds whose main strategy is not ILS are not considered* |
| Investment strategy | This RFP invites applicants to two separate strategies* Diversified: Expected Loss of 3.0% or below
* Opportunistic: Expected Loss higher than 3.0%
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| Firm’s ILS AUM | Minimum US$ 1,000,000,000 (US$ 1 billion)*\* Firm’s ILS AUM: The total of assets under management in commingled funds, segregated accounts and any other pools of money that are invested in ILS.*  |
| Size of the proposed fund(s) | Minimum US$ 200,000,000 (US$ 200 million) |
| Firm’s track record | Minimum 5 years since establishment |
| Track record of the proposed fund(s) | The fund(s) must have been continuously managed for minimum 3 years without any breaks during the 3 year period |
| Liquidity requirements | * All the following redemption frequencies are permitted: daily, weekly, monthly, quarterly, semi-annual
* Hard lock-up: Up to 1 year is permitted
* Gate: 20% or better per quarter or equivalent if other frequencies
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| NAV frequency | Monthly NAVs or more frequent |
| Prohibited ILS sector | Life risks are not permitted with exception of mortality, in which the fund(s) can invest up to 5% of NAV |

1.3. The manager shall be a domestic financial investment entity that obtained authorization or completed registration for management of, or giving instructions for management of, the collective investment property (including the exercise of voting rights for equity securities included in the collective investment property), pursuant to the Article 42 (4) of the Financial Investment Services and Capital Markets Act, and Article 47 (1)-3 of its Enforcement Decree.

In case of a foreign financial investment entity, it must have obtained authorization or completed registration for engaging in the similar business in its home country. In accordance with the Article 4-4 (2)-9 of the Regulations on Financial Investment Business, the foreign entity must be able to guarantee the acceptance of the audit and inspection request by the domestic inspection authority.

1.4. Managers shall not currently be in the restricted trade list of Korea Post Savings.

**2. Processes and timeline**

2.1. Overview:

- Announcement of RFP → Data and proposal submitted → 1st round of assessment (“Quantitative assessment”) → 2nd round of assessment (“Qualitative assessment” in the form of oral presentation) → 3rd round of assessment (On-site due diligence) → Final Selection

2.2. Timeline

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| **Category** | **Date** |
| Proposal and data submission | 3 Mar 2017 – 17 Mar 2017 |
| 1st round assessment (Quantitative) conducted and results announced.  | Fourth week of March, 2017 |
| 2nd round assessment (Oral presentation at Korea Post’s office) | In April 2017 |
| 3rd round assessment (On-site due diligence) | End of April, 2017 |

*\* This timeline is subject to change*

3. **Documents to submit**

3.1. Proposal for the fund

- In English (No need for translation into Korean language at this stage. However managers will be requested the Korean version for the 2nd round assessment)

- There are no predetermined templates for the proposal but it must contain the following: firm overview (AUM, organization structure, details of key persons), investment strategy (including indicative past portfolio compositions), portfolio construction process, risk management process and points of contact.

3.2. Enclosed Excel Spreadsheet

 - Ensure to name the file in the following manner: “Company or Fund Name”\_”Strategy”\_KPILSRFP\_2017

*\*Strategy: Either of the following: “DIV” for Diversified or “OPP” for Opportunistic*

- Ensure to include in the excel spreadsheet the time series of NAVs of the proposed fund since inception to end of 2016.

3.3. Hard copies to support the information provided shall be requested to managers who have passed the 1st round of assessment.

4. **Submission details**

4.1. Please send the aforementioned documents electronically to BOTH email addresses below

 - Mirae Asset Global Investments: sb.kim@miraeasset.com

 - Korea Post: kaisaku@korea.kr

*\*Please ensure the subject of the email starts with [KP RFP]*

4.2. Submission date: By 17:00 hours (Korea Time), 17th March 2017

**5. Inquiries**

5.1. Please address any questions via email only to Mirae Asset Global Investments (sb.kim@miraeasset.com)

**6. Selection Criteria**

6.1. Quantitative assessment (1st round)

 **-** Only the funds that meet the aforementioned qualifications are considered.

* Details of the evaluation criteria

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| Category | Contents | Maximum score |
| Performance | Annualized Rate of return, Annualized standard deviation, Risk-adjusted Return, Number of negative return months, Worst monthly return, Number of months taken to fully recover MDD | 75 |
| Risk Management  | Tail Value at Risk (TVaR), Number of triggered securities (ie attachment or worse), Maximum exposure to a single peril sector, Exposure to US Wind, Number of securities held in the fund, Risk management organizational structure, Maturity of securities held  | 75 |
| Fees | Management and performance fees, Early redemption penalty | 15 |
| Liquidity | Gate, Lock-up, Redemption frequency | 15 |
| Firm | Current ILS AUM and growth rate, Experience of investment professionals, track records of firm | 20 |

*\*Funds shall be evaluated separately according to the strategy applied (ie. diversified vs opportunistic)*

6.2. Qualitative assessment (2nd round)

- Only those applicants who have passed the 1st round of assessment will be invited. Invitation is extended to double to three times the number of final selection.

- Evaluation method: Oral presentation by firm at Korea Post’s site in Korea. The presentation must be in Korean language. (Non-Korean speakers may use interpretation)

- Details of the evaluation criteria

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| Category | Contents | Maximum Score |
| Firm Overview | Company overview, Firm track record (number of years ILS managed, past performance, etc), ILS AUM growth, investor base, Ownership and governance structure (if any shareholding relationships with (re)insurance companies, whether guidelines are in place to prevent conflicts of interest), Any other relevant issues | 30 |
| Investment Team | Demonstrate the capabilities of investment professionals (past performance, number of years in ILS, etc), Compensation structure for investment professionals (to maintain teamwork, retain key persons and ensure adequate and effective compensation), Stability of the organization (recent leavers among key investment professions), Any other relevant issues | 35 |
| Investment and Research Process | Details of Investment Committee (overview, transparency and effectiveness of decision process), Portfolio construction process (including trade allocation and rebalancing processes), Research process (including 3rd party resources), Any other relevant issues | 40 |
| Investment Strategy and Capabilities | Relative strengths and weaknesses of the company’s capabilities as compared to competitors (e.g. specialty in any particular peril, instrument, insurance layer, deal origination, etc), Underwriting/sourcing, structuring and trading capabilities, Any other relevant issues | 15 |
| Risk management Capabilities | Risk management system and process (Policies, standardized processes in place, division of tasks, independence of risk management team), Monitoring processes and policies for major risk metrics including EL, VaR, MDD, Risk modelling process (3rd party systems, existence of own risk models), Any other relevant issues | 30 |
| Client services | Presence and roles of client service teams, Flexibility to accommodate requirements of clients, Client visits and performance reports, Conference calls, Availability of translation, Offices in Asia or other global locations, Transparency of fund and information availability, Any other relevant issues | 25 |
| Terms and Conditions | Investment and performance fees, Redemption frequency (whether it is reasonable compared to competing products. Less frequent redemption cycle may be penalized), Firm’s policies to prevent conflicts of interest and ensure client’s rights and interests are protected, Any other relevant issues | 25 |

\* Finalists subject to due diligence visits shall be determined based on the scores obtained from the 1st (Quantitative) and 2nd (Qualitative) assessments combined.