

**REQUEST FOR PROPOSALS FOR THE
PROVISION OF INVESTMENT MANAGEMENT
SERVICES**

BY

NATIONAL SOCIAL SECURITY FUND

TENDER NO. 06/2017-2018 (RFP)

NOVEMBER 2017

National Social Security Fund

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SECTION I – TENDER NOTICE

The **National Social Security Fund (The Fund)** invites sealed tenders from eligible, competent, RBA (Retirement Benefits Authority) and CMA (Capital Markets Authority) registered Fund Managers for the Provision of Fund Management services.

Tender documents detailing the requirements may be obtained from NSSF Procurement Office on 9th floor Western Wing Block 'A' Social Security House, Bishops Road, Nairobi during normal working hours upon payment of a non - refundable fee of **Kshs 1,000.00** in cash or Bankers cheque payable to the National Social Security Fund at cash office on Podium floor, Block 'A', Western wing, Social Security House Bishops Road Nairobi. Alternatively, the documents may be downloaded from the website www.nssf.or.ke or <http://supplier.treasury.go.ke> (free of charge). Interested bidders who download the documents should send their particulars immediately through email tender tender@nssfkenya.co.ke for registration purposes before the tender closing date. Further, all prospective bidders are advised to visit the website regularly to check any updates or addenda that may be issued.

The tender is a **two envelope** tender comprising separate technical and financial submission. Completed tender documents in plain sealed outer envelope enclosing separately sealed envelopes in ("Original" and "Copy") all clearly marked **Tender No.06/2017-2018 – RFP for provision of Fund Management Services (National Social Security Fund)** as per instructions in the tender documents and addressed to:-

The Managing Trustee,
National Social Security Fund,
P.O. Box 30599-00100,
NAIROBI.

Should be deposited in the Tender Box situated on the 2nd floor, reception area, Block 'A' Western Wing, Social Security House, Bishop Road Nairobi, **on or before 11:00 a.m. local time on 16/11/2017**. The duly completed RFP documents which cannot fit into the Tender Box shall be received only between 10.00am and 11.00am on the same RFP deadline day at the Procurement Office on 9th Floor, Block 'A' Western Wing, Social Security House, Bishop Road Nairobi.

Tenders will be opened immediately thereafter in the Seminar Room on 4th floor, Block 'A', Western Wing, Social Security House, Nairobi in the presence of Tenderers' Representatives who choose to attend.

The National Social Security Fund reserves the right to accept or reject any Proposal in whole or in part.

SECTION II – INSTRUCTIONS TO TENDERERS

2.1 Eligible Tenderers

- 2.1.1.** This Invitation to Tender is open to all Tenderers eligible as described in the instructions to Tenderers. Successful Tenderers shall provide the services for the stipulated duration from the date of commencement (hereinafter referred to as the term) specified in the Tender documents.
- 2.1.2.** The procuring entity's employees, Committee Members, Board Members and their relative (spouse and children) are not eligible to participate in the Tender unless where specially allowed under section 131 of the Act.
- 2.1.3.** Tenderers shall provide the qualification information statement that the Tenderer (including all members, of a joint venture and subcontractors) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the procuring entity to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the services under this Invitation for Tenders.
- 2.1.4.** Tenderers involved in corrupt or fraudulent practices or debarred from participating in public procurement shall not be eligible.

2.2 Cost of bidding

- 2.2.1** The Tenderer shall bear all costs associated with the preparation and submission of its Tender, and the procuring entity, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 2.2.2** The price to be charged for the Tender document shall be **Kshs.1, 000/=and free of charge for those who will have downloaded.**
- 2.2.3** The procuring entity shall allow the Tenderer to review the Tender document free of charge before purchase.

2.3 Contents of Tender documents

- 2.3.1.** The Tender document comprises of the documents listed below and addenda issued in accordance with clause 2.6 of these instructions to Tenders
- i. Instructions to Tenderers
 - ii. General Conditions of Contract
 - iii. Special Conditions of Contract
 - iv. Schedule of Requirements
 - v. Details of service
 - vi. Form of Tender
 - vii. Price schedules
 - viii. Contract form

- ix. Confidential business questionnaire form
- x. Tender security form
- xi. Performance security form
- xii. Declaration form

2.3.2 The Tenderer is expected to examine all instructions, forms, terms, and specifications in the Tender documents. Failure to furnish all information required by the Tender documents or to submit a Tender not substantially responsive to the Tender documents in every respect will be at the Tenderers risk and may result in the rejection of its Tender.

2.4 Clarification of Documents

2.4.1. A prospective candidate making inquiries of the Tender document may notify the procuring entity in writing or by post, fax or email at the entity's address indicated in the Invitation for Tenders. The procuring entity will respond in writing to any request for clarification of the Tender documents, which it receives no later than seven (7) days prior to the deadline for the submission of Tenders, prescribed by the procuring entity. Written copies of the Procuring entity's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Tenderers who have received the Tender documents.

2.4.2. The procuring entity shall reply to any clarifications sought by the Tenderer within 3 days of receiving the request to enable the Tenderer to make timely submission of its Tender

2.5 Amendment of documents

2.5.1 At any time prior to the deadline for submission of Tenders, the procuring entity, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Tenderer, may modify the Tender documents by issuing an addendum.

2.5.2 All prospective Tenderers who have obtained the Tender documents will be notified of the amendment by post, fax or email and such amendment will be binding on them.

2.5.3 In order to allow prospective Tenderers reasonable time in which to take the amendment into account in preparing their Tenders, the procuring entity, at its discretion, may extend the deadline for the submission of Tenders.

2.6 Language of Tender

2.6.1 The Tender prepared by the Tenderer, as well as all correspondence and documents relating to the Tender exchanged by the Tenderer and the procuring entity, shall be written in English language. Any printed literature furnished by the Tenderer may be written in another language provided they are accompanied by an accurate English translation of the relevant passages in which case, for purposes of interpretation of the Tender, the English translation shall govern.

2.7 Documents Comprising the Tender

The Tender prepared by the Tenderer shall comprise the following components:

- (a) A Tender Form and a Price Schedule completed in accordance with paragraph 8, 9 and 10 below.
- (b) Documentary evidence established in accordance with Clause 2.11 that the Tenderer is eligible to Tender and is qualified to perform the contract if its Tender is accepted;
- (c) Tender security furnished in accordance with Clause 2.12
- (d) Confidential business questionnaire
- (e) Declaration form

2.8 Form of Tender

- 2.8.1 The Tenderers shall complete the Form of Tender and the appropriate Price Schedule furnished in the Tender documents, indicating the services to be performed.

2.9 Tender Prices

- 2.9.1 The Tenderer shall indicate on the Price schedule the unit prices where applicable and total Tender prices of the services it proposes to provide under the contract.
- 2.9.2 Prices indicated on the Price Schedule shall be the cost of the services quoted including all customs duties and VAT and other taxes payable:
- 2.9.3 Prices quoted by the Tenderer shall remain fixed during the term of the contract unless otherwise agreed by the parties. A Tender submitted with an adjustable price Tender will be treated as non-responsive and will be rejected, pursuant to paragraph 2.22.
- 2.9.4 Contract price variations shall not be allowed for contracts not exceeding one year (12 months)
- 2.9.5 Where contract price variation is allowed, the variation shall not exceed 10% of the original contract price.
- 2.9.6 Price variation requests shall be processed by the procuring entity within 30 days of receiving the request.

2.10 Tender Currencies

- 2.10.1 Prices shall be quoted in Kenya Shillings unless otherwise specified in the appendix to Instructions to Tenderers

2.11 Tenderers Eligibility and Qualifications.

2.11.1 Pursuant to Clause 2.1 the Tenderer shall furnish, as part of its Tender, documents establishing the Tenderers eligibility to Tender and its qualifications to perform the contract if its Tender is accepted.

2.11.2 The documentary evidence of the Tenderers qualifications to perform the contract if its Tender is accepted shall establish to the procuring entity's satisfaction that the Tenderer has the financial and technical capability necessary to perform the contract.

2.12 Tender Security

2.12.1 The Tenderer shall furnish, as part of its Tender, a Tender security for the amount and form specified in the Invitation to Tender.

2.12.2 The Tender security is required to protect the procuring entity against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to paragraph 2.12.7

2.12.3 The Tender security shall be denominated in Kenya Shillings or in another freely convertible currency, and shall be in the form of a bank guarantee or a bank draft issued by a reputable bank located in Kenya, in the form provided in the Tender documents or any other form acceptable to the procuring entity and valid for thirty (30) days beyond the validity date of the Tender.

2.12.4 Any Tender not secured in accordance with paragraph 2.12.1, 2.12.2 and 2.12.3 will be rejected by the procuring entity as non responsive, pursuant to paragraph 2.20

2.12.5 Unsuccessful Tenderer's security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of Tender validity prescribed by the procuring entity.

2.12.6 The successful Tenderer's Tender security will be discharged upon the Tenderer signing the contract, pursuant to paragraph 2.26, and furnishing the performance security, pursuant to paragraph 2.27.

2.12.7 The Tender security may be forfeited:

(a) If a Tenderer withdraws its Tender during the period of Tender validity specified by the **NSSF** on the Tender Form; or

(b) In the case of a successful Tenderer, *if* the Tenderer fails:

(i) to sign the contract in accordance with paragraph 2.26

or

(ii) to furnish performance security in accordance with paragraph 2.27.

(c) If the Tenderer rejects, correction of an error in the Tender.

2.13 Validity of Tenders

2.13.1 Tenders shall remain valid for 90 days after date of Tender opening prescribed by the procuring entity, pursuant to paragraph 2.18. A Tender valid for a shorter period shall be rejected by the procuring entity as non-responsive.

2.13.2 In exceptional circumstances, the procuring entity may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The Tender security provided under paragraph 2.12 shall also be suitably extended. A Tenderer may refuse the request without forfeiting its Tender security. A Tenderer granting the request will not be required nor permitted to modify its Tender.

2.14 Format and Signing of Tender

2.14.1 The Tenderer shall prepare two copies of the Tender, clearly marking each **"ORIGINAL TENDER"** and **"COPY OF TENDER,"** as appropriate. In the event of any discrepancy between them, the original shall govern.

2.14.2 The original and all copies of the Tender shall be typed or written in indelible ink and shall be signed by the Tenderer or a person or persons duly authorized to bind the Tenderer to the contract. All pages of the Tender, except for un-amended printed literature, shall be initialled by the person or persons signing the Tender.

2.14.3 The Tender shall have no interlineations, erasures, or overwriting except as necessary to correct errors made by the Tenderer, in which case such corrections shall be initialled by the person or persons signing the Tender.

2.15 Sealing and Marking of Tenders

2.15.1 The tender is a **two enveloped** tender comprising separate **technical** and **financial** submission. The Tenderer shall seal the original and each copy of the Tender in separate envelopes, duly marking the envelopes as **"ORIGINAL"** and **"COPY"** (**indicate Technical or Financial as appropriate**). The envelopes shall then be sealed in an outer envelope.

2.15.2 The inner and outer envelopes shall:

(a) Be addressed to the **NSSF** at the address given in the invitation to Tender

(b) Bear, **Tender No. 06/2017-2018 – RFP for provision of Fund Management Services (National Social Security Fund)** and the words: **"DO NOT OPEN BEFORE 16th November 2017 at 11:00 a.m. local time."**

2.15.3 The inner envelopes only shall also indicate the name and address of the Tenderer to enable the Tender to be returned unopened in case it is declared "late", while the outer envelope shall bear no mark indicating the identity of the tenderer.

2.15.4 If the outer envelope is not sealed and marked as required by paragraph 2.15.2, the **NSSF** will assume no responsibility for the Tender's misplacement or premature opening.

2.16 Deadline for Submission of Tenders

- 2.16.1 Tenders must be received by the **NSSF** at the specified under paragraph 2.15.2 no later than **16th November, 2016 at 11:00 a.m. local time.**”_
- 2.16.2 **NSSF** may, at its discretion, extend this deadline for the submission of tenders by amending the Tender documents in accordance with paragraph 6, in which case all rights and obligations of the **NSSF** and candidates previously subject to the deadline will thereafter be subject to the deadline as extended.
- 2.16.3 Bulky Tenders which will not fit in the Tender box shall be received by the **NSSF** as provided for in the appendix.

2.17 Modification and withdrawal of Tenders

- 2.17.1 The Tenderer may modify or withdraw its Tender after the Tender's submission, provided that written notice of the modification, including substitution or withdrawal of the Tender is received by the procuring entity prior to the deadline prescribed for the submission of Tenders.
- 2.17.2 The Tenderer's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of paragraph 2.15. A withdrawal notice may also be sent by cable, but followed by a signed confirmation copy, postmarked not later than the deadline for submission of Tenders.
- 2.17.3 No Tender may be modified after the deadline for submission of Tenders.
- 2.17.4 No Tender may be withdrawn in the interval between the deadline for submission of Tenders and the expiration of the period of Tender validity specified by the Tenderer on the Tender Form. Withdrawal of a Tender during this interval may result in the Tenderer's forfeiture of its Tender security, pursuant to paragraph 2.12.7.
- 2.17.5 The procuring entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 2.17.6 The procuring entity shall give prompt notice of the termination to the Tenderers and on request give its reasons for termination within 14 days of receiving the request from any Tenderer.

2.18 Opening of Tenders

- 2.18.1 **Opening of Technical Envelopes:** The **NSSF** will open all tenders in the presence of tenderers' representatives who choose to attend after **11:00 a.m. local time on 16th November, 2017** ”and in the location specified in the invitation to Tender. All submitted Technical Bids will be opened at that time while the financial bid envelopes shall remain unopened until technical bids are evaluated. The Tenderers' representatives who are present shall sign a register evidencing their attendance.
- 2.18.2 The Tenderers' names, Tender modifications or withdrawals, Tender prices, discounts, and the presence or absence of requisite Tender security and such other

details as the procuring entity, at its discretion, may consider appropriate, will be announced at the opening.

2.18.3 The procuring entity will prepare minutes of the Tender opening which will be submitted to the Tenderers that signed the Tender opening register and will have made the request.

2.18.4 **Opening of Financial Envelopes:** After evaluation of technical bids the procuring entity shall notify the bidders who have secured the minimum technical score that they have passed the technical qualifications and inform them the date and time set for opening their financial bids. They will also be invited to attend the opening ceremony if they wish to do so.

2.18.5 The financial bids shall be opened by the procuring entity in the presence of the tenderers who choose to attend the opening. The name of the tenderer, the technical score and the proposed fees shall be read out aloud and recorded. The evaluation committee shall prepare minutes of the opening of the financial bids.

2.19 Clarification of Tenders

2.19.1 To assist in the examination, evaluation and comparison of Tenders the NSSF may at its discretion, ask the Tenderer for a clarification of its Tender. The request for clarification and the response shall be in writing, and no change in the prices or substance shall be sought, offered, or permitted.

2.19.2 Any effort by the Tenderer to influence the procuring entity in the Tender evaluation, Tender comparison or contract award decisions may result in the rejection of the Tenderers Tender.

2.20 Preliminary Examination and Responsiveness

2.20.1 **NSSF** will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required securities have been furnished, whether the documents have been properly signed, and whether the Tenders are generally in order.

2.20.2 Arithmetical errors will not be rectified. If there is a discrepancy between words and figures, the amount in words will prevail.

2.20.3 The procuring entity may waive any minor informality or nonconformity or irregularity in a Tender which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Tenderer.

2.20.4 Prior to the detailed evaluation, pursuant to paragraph 2.22, the procuring entity will determine the substantial responsiveness of each Tender to the Tender documents. For purposes of these paragraphs, a substantially responsive Tender is one which conforms to all the terms and conditions of the Tender documents without material deviations. The procuring entity's determination of a Tender's responsiveness is to be based on the contents of the Tender itself without recourse to extrinsic evidence.

2.20.5 If a Tender is not substantially responsive, it will be rejected by the procuring entity and may not subsequently be made responsive by the Tenderer by correction of the nonconformity.

2.21 Conversion to a single currency

2.21.1 Where other currencies are used, the procuring entity will convert those currencies to Kenya shillings using the selling exchange rate on the date of Tender closing provided by the Central Bank of Kenya.

2.22 Evaluation and comparison of Tenders.

2.22.1 The procuring entity will evaluate and compare the Tenders which have been determined to be substantially responsive, pursuant to paragraph 2.20

2.22.2 The comparison shall be of the price including all costs as well as duties and taxes payable on all the materials to be used in the provision of the services.

2.22.3 The evaluation of a Tender will take into account, in addition to the Tender price, the following factors, in the manner and to the extent indicated in paragraph 2.22.4 and in the technical specifications:

- (a) Operational plan proposed in the Tender;
- (b) Deviations in payment schedule from that specified in the Special Conditions of Contract;

2.22.4 Pursuant to paragraph 2.22.3 the following evaluation methods will be applied:

(a) *Operational Plan.*

The procuring entity requires that the services under the Invitation for Tenders shall be performed at the time specified in the Schedule of Requirements. Tenders offering to perform longer than the required delivery time will be treated as non-responsive and rejected.

(b) *Deviation in payment schedule.*

Tenderers shall state their Tender price for the payment on a schedule outlined in the special conditions of contract. Tenders will be evaluated on the basis of this base price. Tenderers are, however, permitted to state an alternative payment schedule and indicate the reduction in Tender price they wish to offer for such alternative payment schedule. The procuring entity may consider the alternative payment schedule offered by the selected Tenderer.

2.22.5 The Tender evaluation committee shall evaluate the Tender within 30 days from the date of opening the Tender.

2.22.6 To qualify for contract awards, the Tenderer shall have the following:-

- a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.

- b) Legal capacity to enter into a contract for procurement
- c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing
- d) Shall not be debarred from participating in public procurement.

2.23. Contacting the Procuring Entity

- 2.23.1 Subject to paragraph 2.19, no Tenderer shall contact the procuring entity on any matter relating to its Tender, from the time of the Tender opening to the time the contract is awarded.
- 2.23.2 Any effort by a Tenderer to influence the procuring entity in its decisions on Tender evaluation Tender comparison or contract award may result in the rejection of the Tenderers' Tender.

2.24 Award of Contract

a) Post qualification

- 2.24.1 The procuring entity will determine to its satisfaction whether the Tenderer that is selected as having submitted the lowest evaluated responsive Tender is qualified to perform the contract satisfactorily.
- 2.24.2 The determination will take into account the Tenderer's financial and technical capabilities. It will be based upon an examination of the documentary evidence of the Tenderers' qualifications submitted by the Tenderer, pursuant to paragraph 2.1, as well as such other information as the procuring entity deems necessary and appropriate.
- 2.24.3 An affirmative determination will be a prerequisite for award of the contract to the Tenderer. A negative determination will result in rejection of the Tenderer's Tender, in which event the procuring entity will proceed to the next lowest evaluated Tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

b) Award Criteria

- 2.24.3 Subject to paragraph 2.26 the procuring entity will award the contract to the successful Tenderer whose Tender has been determined to be substantially responsive and has been determined to be the lowest evaluated Tender, provided further that the Tenderer is determined to be qualified to perform the contract satisfactorily.
- 2.24.4 The procuring entity reserves the right to accept or reject any Tender and to annul the bidding process and reject all Tenders at any time prior to contract award, without thereby incurring any liability to the affected Tenderer or Tenderers or any obligation to inform the affected Tenderer or Tenderers of the grounds for the procuring entity's action. If it is determined that none of the Tenderers is responsive; the procuring entity shall notify each Tenderer who submitted a Tender.

- 2.24.5 A Tenderer who gives false information in the Tender document about its qualification or who refuses to enter into a contract after notification of contract award shall be considered for debarment from participating in future public procurement.

2.25 Notification of award

- 2.25.1 Prior to the expiration of the period of Tender validity, the Procuring entity will notify the successful Tenderer in writing that its Tender has been accepted.
- 2.25.2 The notification of award will signify the formation of the Contract subject to the signing of the contract between the Tenderer and the procuring entity pursuant to clause 2.26. Simultaneously the other Tenderers shall be notified that their Tenders have not been successful.
- 2.25.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.27, the procuring entity will promptly notify each unsuccessful Tenderer and will discharge its Tender security, pursuant to paragraph 2.12

2.26 Signing of Contract

- 2.26.1 At the same time as the procuring entity notifies the successful Tenderer that its Tender has been accepted, the procuring entity will simultaneously inform the other Tenderers that their Tenders have not been successful.
- 2.26.2 Within fourteen (14) days of receipt of the Contract Form, the successful Tenderer shall sign and date the contract and return it to the procuring entity.
- 2.26.3 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.

2.27 Performance Security

- 2.27.1 Within thirty (30) days of the receipt of notification of award from the procuring entity, the successful Tenderer shall furnish the performance security in accordance with the Conditions of Contract, in the Performance Security Form provided in the Tender documents, or in another form acceptable to the procuring entity.
- 2.27.2 Failure of the successful Tenderer to comply with the requirement of paragraph 2.26 or paragraph 2.27 shall constitute sufficient grounds for the annulment of the award and forfeiture of the Tender security, in which event the procuring entity may make the award to the next lowest evaluated or call for new Tenders.

2.28 Corrupt or Fraudulent Practices

- 2.28.1 The procuring entity requires that Tenderers observe the highest standard of ethics during the procurement process and execution of contracts. A Tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.
- 2.28.2 The procuring entity will reject a proposal for award if it determines that the Tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;
- 2.28.3 Further, a Tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

Appendix to Instructions to Tenderers

The following information for the procurement of Fund Management Services shall complement, supplement, or amend, the provisions on the instructions to Tenderers. Wherever there is a conflict between the provisions of the instructions to Tenderers and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the instructions to Tenderers.

Instruction to Tender reference	Particulars of Appendix to instructions to Tenderers
2.1	Eligible Tenderers shall be those with valid registration Certificates as Fund Managers issued by the Capital Markets Authority (CMA) and Retirement Benefits Authority (RBA)
2.15.2 (b)	The Tender shall be closing on 16th November, 2017 at 11:00 a.m. local time. _
2.16.1	Not later than 11:00 a.m. local time on 16th November, 2017.
2.16.3	Bulky Tender documents shall be received in properly sealed envelopes as per instruction at the Manager's (Procurement services) office on 9 th Floor; and entered in a register for receipt of bulk documents and signed for by the delivering person provided they are delivered earlier than one (1) hour before the closing time, after which the Tenderer shall be required to place the Tender documents at the Tender box designated area.
2.18.1	After 11.00a.m local time on 16th November, 2017
2.20 & 2.22	In addition, the evaluation criteria provided in the special condition of contract shall be taken into account
2.27	Performance security shall be a valid Professional indemnity cover to the extend of liability/exposure

SECTION III – GENERAL CONDITIONS OF CONTRACT

3.1 Definitions

In this contract the following terms shall be interpreted as indicated:

“The contract” means the agreement entered into between the procuring entity and the Tenderer as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

“The Contract Price” means the price payable to the Tenderer under the Contract for the full and proper performance of its contractual obligations.

“The services” means services to be provided by the contractor including materials and incidentals which the Tenderer is required to provide to the procuring entity under the Contract.

“The Procuring entity” means **NATIONAL SOCIAL SECURITY FUND (NSSF)**, the organization sourcing for the services under this Contract.

“The contractor” means the individual or firm providing the services under this Contract.

“GCC” means general conditions of contract contained in this section

“SCC” means the special conditions of contract

“Day” means calendar day

3.2 Application

These General Conditions shall apply to the extent that they are not superceded by provisions of other part of contract.

3.3 Standards

- 3.3.1 The services provided under this Contract shall conform to the standards mentioned in the Schedule of requirements

3.5 Patent Right's

The Tenderer shall indemnify the procuring entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the services under the contract or any part thereof.

3.6 Performance Security

- 3.6.1 Within twenty eight (28) days of receipt of the notification of Contract award, the successful Tenderer shall furnish to the procuring entity the performance security where applicable in the amount specified in Special Conditions of Contract.

- 3.6.2 The proceeds of the performance security shall be payable to the procuring entity as compensation for any loss resulting from the Tenderer's failure to complete its obligations under the Contract.
- 3.6.3 The performance security shall be denominated in the currency of the Contract or in a freely convertible currency acceptable to the procuring entity and shall be in the form of:
- a) Cash.
 - b) A bank guarantee.
 - c) Such Insurance guarantee approved by the Authority.
 - d) Letter of credit.
- 3.6.4 The performance security will be discharged by the procuring entity and returned to the candidate not later than thirty (30) days following the date of completion of the Tenderer's performance of obligations under the contract, including any warranty obligations under the contract.

3.7 Inspections and Tests

- 3.7.1 The procuring entity or its representative shall have the right to inspect and/or to test the services to confirm their conformity to the Contract specifications. The procuring entity shall notify the Tenderer in writing, in a timely manner, of the identity of any representatives retained for these purposes.
- 3.7.2 The inspections and tests may be conducted on the premises of the Tenderer or its subcontractor(s). If conducted on the premises of the Tenderer or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the procuring entity.
- 3.7.3 Should any inspected or tested services fail to conform to the Specifications, the procuring entity may reject the services, and the Tenderer shall either replace the rejected services or make alterations necessary to meet specification requirements free of cost to the procuring entity.
- 3.7.4 Nothing in paragraph 3.7 shall in any way release the Tenderer from any warranty or other obligations under this Contract.

3.8 Payment

- 3.8.1 The method and conditions of payment to be made to the Tenderer under this Contract shall be specified in SCC

3.9 Prices

Prices charged by the contractor for services performed under the Contract shall not, with the exception of any Price adjustments authorized in SCC, vary from the prices by the Tenderer in its Tender or in the procuring entity's request for Tender validity extension as the case may be. No variation in or modification to the terms of the contract shall be made except by written amendment signed by the parties.

3.10 Assignment

The Tenderer shall not assign, in whole or in part, its obligations to perform under this contract, except with the procuring entity's prior written consent.

3.10 Termination for Default

The procuring entity may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Tenderer, terminate this Contract in whole or in part:

- a) If the Tenderer fails to provide any or all of the services within the period(s) specified in the Contract, or within any extension thereof granted by the procuring entity.
- b) If the Tenderer fails to perform any other obligation(s) under the Contract.
- c) If the Tenderer, in the judgment of the procuring entity has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

In the event the procuring entity terminates the Contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, services similar to those undelivered, and the Tenderer shall be liable to the procuring entity for any excess costs for such similar services.

3.12 Termination of insolvency

The procuring entity may at the anytime terminate the contract by giving written notice to the contractor if the contractor becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the contractor, provided that such termination will not produce or affect any right of action or remedy, which has accrued or will accrue thereafter to the procuring entity.

3.13 Termination for convenience

- 3.13.1 The procuring entity by written notice sent to the contractor may terminate the contract in whole or in part, at any time for its convenience. The notice of termination shall specify that the termination is for the procuring entity's convenience, the extent to which performance of the contractor of the contract is terminated and the date on which such termination becomes effective.

- 3.13.2 For the remaining part of the contract after termination the procuring entity may elect to cancel the services and pay to the contractor on agreed amount for partially completed services.

3.14 Resolution of disputes

The procuring entity and the contractor shall make every effort to resolve amicably by direct informal negotiations any disagreement or dispute arising between them under or in connection with the contract.

If after thirty (30) days from the commencement of such informal negotiations both parties have been unable to resolve amicably a contract dispute either party may require that the dispute be referred for resolution to the formal mechanisms specified in the SCC.

3.15 Governing Language

The contract shall be written in the English language. All correspondence and other documents pertaining to the contract, which are exchanged by the parties, shall be written in the same language.

3.16 Force Majeure

The contractor shall not be liable *for* forfeiture of its performance security, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

3.17 Applicable Law.

The contract shall be interpreted in accordance with the Laws of Kenya unless otherwise specified in the SCC

3.18 Notices

Any notices given by one party to the other pursuant to this contract shall be sent to the other party by post or by fax or E-mail and confirmed in writing to the other party's address specified in the SCC

A notice shall be effective when delivered or on the notices effective date, whichever is later.

SECTION IV – SPECIAL CONDITIONS OF CONTRACT (SCC)

4.0 Special conditions of contract shall supplement the general conditions of contract, wherever there is a conflict between the GCC and the SCC, the provisions of the SCC herein shall prevail over those in the GCC.

4.1.1 Definitions: **“Fund Manager” (RBA Act)** means a company whose business includes –

- (i) Undertaking, pursuant to a contract or other arrangement, the management of the funds and other assets of the NSSF Fund for purposes of investment;
- (ii) Providing consultancy services on the investment of NSSF Funds; or
- (iii) Reporting or disseminating information concerning the assets available for investment of NSSF Funds.

4.1.2 The Fund Manager(s) after this tender process shall be appointed by the Board of Trustees, NSSF on such terms and conditions of service as shall be determined by the Board of Trustees, NSSF in the instrument of appointment or otherwise in writing from time to time. The Board of Trustees, NSSF reserve the right to appoint one or more Fund Managers under each option.

4.1.3 The Fund Manager(s) shall manage the NSSF Funds pursuant to the provision of the Rules and Regulations set out by the Retirement Benefits Authority, Capital Markets Authority, NSSF Act Cap. 45 of 2013, NSSF Investment Policy Statement and/or any other applicable law(s) and regulations established from time to time and in particular the Fund Manager shall:-

- (a) Advise the Board of Trustees, NSSF on the asset classes which are available for investment;
- (b) Invest capital moneys which form part of the Fund subject to the approval of the Board of Trustees, NSSF and the NSSF Investment Policy Statement.
- (c) Reinvest any income of the NSSF Fund which is not required by the Board of Trustees, NSSF for any immediate payments;
- (d) Submit to the Board of Trustees, NSSF at least weekly, monthly, quarterly and annual report from the date of commencement of the financial year of the NSSF Funds:-
 - (i) A valuation of the NSSF Funds and of all the investments representing the same including details of the cost of such investments and their estimated yields;

- (ii) a report reviewing the investment activity and performance of the investment portfolios comprising the NSSF Fund since the last report date and containing the manager's proposals for the investment of the NSSF Fund during the following period as recommended;
 - (iii) A record of all investment transactions during the previous period;
 - (iv) A report of significant and material transactions and their investment rationale
 - (v) Disclosure with respect to related party transactions, commissions and transaction costs paid and to who and any friction costs incurred.
 - (e) Sit in-attendance, upon invitation by the Board of Trustees, NSSF whenever the Board of Trustees, NSSF is discussing the Fund Manager report
 - (f) Issue instructions in pursuit of the Fund Management contract and on behalf of the Board of Trustees, NSSF to the custodian to transfer, exchange, deliver in the required form and manner NSSF Funds or pooled fund assets held by such custodian;
 - (g) Issue instructions on behalf of the Board of Trustees, NSSF to the custodian to effect payment in respect of purchased securities or any other assets;
 - (h) Keep or cause to be kept such books, records and statements as may be necessary to give a complete record of:-
 - (i) The NSSF investment portfolio held by the custodian;
 - (ii) The investment transactions carried out by the custodian as instructed by the Fund Manager, and shall permit the NSSF, their officers or duly authorized agents to inspect within the premises of the Fund Manager such books, records and statements at any time during business hours.
- 4.1.4 The Fund Manager shall ensure that instructions, approvals, minutes, statements and resolutions in respect of NSSF investment portfolio shall be up to date and properly filed and can be availed to NSSF or its authorized agent for inspection, verification or audit.
- 4.1.5 The Fund Manager **shall not** be liable for any loss, damage or depreciation in the value of the NSSF investment portfolio comprised therein or the income there from which may arise by reason of depreciation of the market value of the securities and other assets in which the investment portfolio is held unless such loss, damage or depreciation in the value of the investment portfolio arises from negligence whether professional or otherwise, wilful default or fraud by the Fund Manager or any of his agents or employees.
- 4.1.6 The Fund Manager shall submit to the Board of Trustees and RBA within ninety days from the date of his appointment and subsequently after ninety days from the date of the previous submission or in times frames stipulated by the RBA:-

- (i) A statement of the NSSF fund and investment portfolio including details of the cost of such investments;
 - (ii) A statement detailing the investment transactions carried out within the ninety days' period of reporting;
 - (iii) A report reviewing the investment activity and performance of the investment portfolio comprising the NSSF fund and proposed investments for the NSSF Fund during the following ninety days; and
 - (iv) Any other report as may be required.
- 4.1.7 The Fund Manager shall invest the assets of the NSSF Fund in the name of the Board of trustees, NSSF and all accrued investments income, commissions, fees and direct and indirect gains from investing the NSSF Fund shall be credited into the Board of Trustees, NSSF account maintained by a custodian on behalf of the Board of Trustees, NSSF.
- 4.1.8 The Fund Manager shall not engage the services of any property manager, Real Estate developer or Real Estate consultants to undertake any project proposals, feasibility studies or development on behalf of the Board of Trustees, NSSF **without** the prior and specific written approval by the Board of Trustees, NSSF.
- 4.1.9 All monetary benefits, commissions or gains arising directly or indirectly out of managing the NSSF Funds shall be credited into the Board of Trustees, NSSF account by the Fund Manager or custodian as the case may be.
- 4.1.10 The Fund Manager shall not exercise any proxy or voting rights associated with the NSSF Fund investments without express written consent and instructions of the Board of Trustees, NSSF.
- 4.1.11 The Fund Manager(s) shall not assign or delegate any of its obligations hereunder without the prior consent in writing of the Board of Trustees, NSSF.
- 4.1.12 The Fund Manager(s) shall advice the Trustees on any changes and their effects as may from time to time be recommended by the Minister of Finance and/or as may be recommended by the Government or any regulatory body;
- 4.1.13 The Fund Manager shall act in the best interest of the Trustees at all times. The Fund Manager shall indemnify the Trustees against any insurable risk and financial loss arising out of any negligence, default or wilful default, of its officers and managers;
- 4.1.14 The Fund Manager shall research and update Trustees and Management on developments and emerging opportunities locally, regionally and globally;
- 4.1.15 The Fund Manager shall endeavour to build capacity of Trustees and Management;
- 4.1.16 Termination of the Management Agreement:

- (a) An agreement between the Board of Trustees, NSSF and the Fund Manager shall make provisions for the computation of the management fee in respect of management services at the date of termination where; either party to the management agreement may at any time terminate the agreement and; in the event of termination of the agreement the Fund Manager shall within thirty (30) days, from the date of termination, hand-over, transfer and deliver to a Fund Manager appointed in writing by the Board of Trustees, NSSF all the information in relation to its contractual duties to the NSSF Funds including:-
- (i) Comprehensive report of the NSSF Fund at the time of hand over and/or transfer
 - (ii) Statements pertaining to the entire Fund under management;
 - (iii) Investment portfolio including details of the cost and market values of such investments and their estimated yields;
 - (iv) Statement pertaining to all incomplete transactions;
 - (v) Any other material information and disclosures as may be reasonably required by the Board of Trustees, NSSF. Copies of the information required herein shall be submitted to the Board of Trustees, NSSF and RBA within the same period.
 - (vi) A comprehensive reconciliation report between the Fund manager transaction report and Fund Custodian account.
- (b) The Fund Manager shall within twenty one (21) days or such shorter period as may be stipulated in the agreement from the date of deregistration or from the date a winding up order has been issued by a competent court against such Fund Manager hand over, transfer and deliver all reports, minutes, statements and resolutions in respect of the NSSF investment portfolio together with any information as may be reasonably required by the Board of Trustees, NSSF to a Fund Manager appointed in writing by the Board of Trustees, NSSF.
- 4.1.16 A detailed and comprehensive list of duties of the successful tenderer shall be included in the Fund Management agreement between the Board of Trustees, NSSF and the tenderer.
- 4.1.17 Three options of fund management service provision have been listed in this RFP document for consideration. The bidders shall prepare their fund management proposals for Option 1 which is the Standard Fund Management Services. A firm could also choose to submit proposals for Option 2 and or Option 3 if it deems it has the capability and capacity to provide the services for the two options as per the requirements.
- 4.1.18 Please NOTE Option 1 is mandatory for all participating in this RFP but Option 2 and 3 are optional i.e. all firms shall be required to participate in option 1 but it is not mandatory to participate in Options 2 and 3 if the firm deems it does not have the

requisite expertise or capacity. The tenderers will be assessed based on the strengths of each option they will have submitted.

4.1.19 The three (3) options are detailed below:-

I. Option 1 (Mandatory) – Standard Fund Management Service

Under option 1, the Fund Manager(s) will be expected to offer standard fund management i.e. Equities and Fixed Income. This option does not include Property Mandate.

Terms of Reference for Standard Fund Management Services

- (a) Assess the performance of the investments of the Trustees;
- (b) Analyze the investment options for each asset class and the whole portfolio available in the market, and develop detailed investment options;
- (c) Review and implement the investment policy developed by the Trustees;
- (d) Advise the Board of Trustees on the available investment alternative investment products and issue instructions on behalf of the Trustees to the custodians to make payment in respect of purchase of securities or any other assets, of transfer exchange and or deliver scheme Trustees assets held by such a custodian;
- (e) Provide the Trustees, on a monthly basis, by the fifteenth (15) day of each month, with inter alia:
 - (i) Review of NSSF's investments;
 - (ii) Provide expert advice to NSSF on the most optimal way of compliance with RBA Portfolio mix guidelines and other requirements; and
 - (iii) Advise on the most efficient, continuous competitive investment plan.
- (f) A portfolio statement reflecting the book and market value of each financial asset; a statement of capital transactions; a statement of the revenue receipts and call deposit account statement; reflecting the status of the Trustees' portfolio as at the last day of the previous month;
- (g) Provide expert advice to the Trustees on the most optimal way of compliance with the Retirement Benefits Authority (RBA) Portfolio mix guidelines and other related requirements;
- (h) Make records pertaining to the Financial Assets available for inspection by the Trustees' auditors or their duly authorized representatives, whenever reasonably necessary for audit and control purposes;

- (i) Provide the Trustees with hard and soft copies of all relevant investment reports including the financial projection models used and performance measurements;
- (j) Realize such Financial Assets as the Trustees may request in writing from time to time;
- (k) In liaison with the Custodian, monitor the collection of all income and other benefits arising from the Financial Assets which are paid into the Trustees's account or invested on the Trustees' behalf;
- (l) Provide reconciled reports with those of the Custodians including explanations on any variances on monthly basis or as and when required by the Trustees which reports shall include performance measurements;
- (m) Consult with all players including but not limited to: RBA, the Custodians, The Investment Consultant/Actuary and any other relevant Authority and or body;
- (n) Attend the Board of Trustees meetings, Annual General Meetings and any other meetings when the agenda item involves the management of the Trustee's assets herein stated;
- (o) Advise the Trustees on any changes and their effects as may from time to time be recommended by the Minister of Finance and/or as may be recommended by the Government or any regulatory body;
- (p) Act in the best interest of the Trustees at all times. The Fund Manager shall indemnify the Trustees against any insurable risk and financial loss arising out of any negligence, default or wilful default, of its officers and managers;

II. Option 2 – Property Management Investment (Advisory Role)

Under option 2, the tenderer is expected to be offering an active advisory role on property investments. The property responsibility will include but not limited to;

- (a) Review of existing Property Investment and advising on its optimal use;
- (b) Advising on land and Property acquisition;
- (c) Review of Property expenses and advising the Board on strategies of reducing expenses;
- (d) Advising on how to unlock potential of existing land banks;
- (e) Active involvement on projects development and advising the Board on progress of projects;
- (f) Updating the Board on new trends in property development;
- (g) Guiding the Board in converting existing properties into Rental REITS;
- (h) Structuring of Development REITS;

- (i)Evaluating viability of any property development or proposed property offloads;
- (j)Leading role in transaction advisory and negotiating property transactions that the Trust may be pursuing from time to time;
- (k)Conducting feasibility study relating to property development;
- (l)To semi-annually provide and advise the Trustees on strategic Property performance;
- (m)Responsibilities for Property Investment Management and guiding the Board on strategic decision relating to property Investment;
- (n)Reporting to the Board on the performance of Properties and measures to be taken to improve on the property yield.

III. Option 3 – Full Mandate on Property Investment and Management

Under option 3 the bidder is expected to take a full mandate on property investment. Over and above the scope covered under Options 1 and 2, the bidder is expected to also undertake the following responsibilities;

- (a) Monitoring and evaluation of properties with a view of optimizing standards and returns.
- (b) Regular review of performance of properties and facilities managers and updating the Board on the same;
- (c) Buy investment properties / land on behalf of the Trustees in accordance with the applicable laws and regulations and identify development projects that maximize return on investments and meet the expectations of the Trustees;
- (d) Undertake any other duties allocated by the Trustees from time to time.

4.1.20 Tenderers shall prepare their fund management proposals for Option 1 which is the Standard Fund Management Services. A firm could also choose to submit proposals for Option 2 and Option 3 if it deems it has the capability and capacity to provide the services for the three options as per the requirements.

4.1.21 Please NOTE that Option 1 is mandatory for all participating in this RFP but Option 2 and 3 are optional.

Improvements to the Terms of References

The Consultant may offer suggestions and improvements to the Terms of Reference that would result in better implementation of the assignment. Such proposals if accepted will form part of the Terms of Reference of the proposals submitted by the bidder and accepted by the Trust.

4.2 Bidding Notes

- 4.2.1 The Tenderer is required to check the number of pages of the Tender document and should any be found to be missing or in duplicate or the figure or writing indistinct, they must inform the Fund at once and have the same rectified.
- 4.2.2 Should the Tenderer be in doubt about the prices, meaning of any item, word or figure for any reason whatsoever or observe any apparent omission of words or figures, they must inform the Fund in order that the correct meaning may be decided upon before the date for submission of the Tender.
- 4.2.3 No liability whatsoever will be admitted nor is claim allowed in respect of errors in the Tenderer's Tender due to mistakes which should have been rectified in the manner described above.
- 4.2.4 The Tenderer shall not alter or otherwise qualify the Text of this Tender Document. Any alteration or qualification made without authority of the Board of Trustees, NSSF shall be ignored and the text of the Tender Document as printed will be adhered to.

4.3 EVALUATION CRITERIA

STAGE ONE

4.3.1 Preliminary evaluation of open Tenders

The evaluation committee shall first conduct a preliminary evaluation to determine whether:–

- (a) the Tender has been submitted in the required format as per the invitation to tender and tender instructions;
- (b) any Tender security submitted is in the required form, amount and validity period;
- (c) the Tender has been signed by the person lawfully authorised to do so;
- (d) the required number of copies of the Tender have been submitted per the invitation to tender and tender instructions and;
- (e) all required documents and information have been submitted;

4.3.2 Statutory / Mandatory requirements

1. Valid Kenya Revenue Authority Tax compliance certificate
2. Valid NSSF Compliance Certificate
3. List of Directors with respective shareholding & details of citizenship.
4. Audited Accounts for the last three years (i.e. within 2014 to 2016) and management accounts for 6 months of 2017
5. Certificate of Company Registration
6. Valid License as a Fund Manager issued by the Capital markets Authority (CMA).
7. Valid current Certificate of Registration as a Fund Manager issued by the Retirements Benefits Authority (RBA).
8. List of Major shareholders and their respective shareholding
9. Tender security/Bid Bond of **Kshs 10,000,000.00** from a reputable bank (compliant with the Prudential Guidelines) valid for 120 days from the closing date of the Tender
10. A valid Professional Indemnity cover from a reputable insurance company of at least Kenya Shillings Five Hundred Million (Kes. 500,000,000/=) per transaction (Attach copy of cover).

Tenders which do not satisfy any of the above requirements (clause 4.3.1 & 4.3.2) shall be rejected.

STAGE TWO

4.3.3 Technical Evaluation

The technical score and the quoted price shall be taken into consideration at recommendation stage where they are allocated weights as follows:

The technical (T) =80 and financial (F) =20 (where, T+F=100 is the highest combined score (CS) attainable).

Each option shall be evaluated independently and the Cut-off point is 75 Points to qualify for financial evaluation (price comparison)

The Technical Proposals will be marked out of a possible 100 marks then aggregated to 80.

(Documentary evidence must be provided for each requirement – non-compliance may lead to disqualification or nil points)

Technical Evaluation

Option 1: Standard Mandate

	<u>Part I: Relevant Experience and Performance</u>	70 Marks
	Explain your understanding of the Assignment/Terms of Reference	5
	Illustrate the firms experience and understanding of local and other investment markets. (Above 10 years – full points and pro-rated upto 5 years, below 5 years – zero points)	5
	Provide an organisational chart/structure with the business units comprising your Investment Management business and the key personnel that would be assigned to the Services (2 Points). Qualifications and experience of four key professionals (At least four must be CFA holders with at least ten years relevant experience) (8 Points) – attach copies of certificates and CVs signed by both the employees and the firm's representative.	10
	Provide a detailed work plan and methodology on how the Fund Management will be carried out and how transition from the current Fund Manager will be effected.	8
	Provide names, addresses, contact persons and respective portfolio values of at least 5 (five) key clients for the last 10 years. (Attach proof in form of award letters or contract agreements)	10
	Provide a classification of the current total value of funds under Management and numbers of portfolio by size as follows (At least 5 portfolios above 10B get full marks):-	5

	Portfolio Classification	Market Value	No. of Portfolios	
	Above Kshs. 10 billion			
	Between Kshs. 5 billion to 10 billion			
	Below Kshs. 5 billion			
	Total AUM			
	Administration and Systems capacity with evidence or proof that it uses the most modern IT systems in the market. Please demonstrate its versatility and the functionalities that makes it superior in the market.			10
	Performance of the funds under management against benchmarks for the last 5 years – attach confirmation note from client as evidence in form of performance attribution			5
	Provide the historical annual time weighted returns for Equities, Government Securities, Other Fixed Income, Offshore and Alternative Assets for the last three years (2014-2016)			2
	Provide a statement/declaration executed by the Board of Directors and witnessed by a commissioner of oath stating that investment decisions of the Fund Manager with regards to the Board of Trustees, NSSF portfolio shall be independent of any undue influence and/or directions of major shareholders or interest groups and shall remain so for the duration of the Fund Management contract.			2
	Describe the firms' Investment Process (Research, Approach, Philosophy, Style, Evaluation, Approvals, Monitoring, Evaluation and Reporting), Core competencies, Risk Management Framework and Internal Controls, Reporting mechanisms, Business Continuity and disaster recovery controls and differentiate it from other competitors in the industry			5
	Demonstrate the ability to provide other value addition services within the proposed fee scale e.g. Mode and Frequency of reporting to Board of Trustees, NSSF and AGM, last report being for financial year end of June every year, Capacity Building and knowledge transfer for Board of Trustees and Management of the procuring entity, Investment Advisory, Advice on emerging local and global markets trends, forecasts, opportunities and access to up to date market research etc			2
	Confirm whether the firm is GIPS compliant. If yes, the number of year			1

	the firm has been compliant (Provide evidence of verifier and verification letter) and if no the steps being taken to be compliant.	
	List the market value at time of departure and the number of accounts lost in each of the last 5 calendar years and the market value at time of departure. If none clearly state so. (Mandatory. Non-disclosure will lead to immediate disqualification)	
	<u>Part II: References, Business Support and Orderliness</u>	10 Marks
	Reference letter from at least 5 s where similar scope of service has been done in the last three (3) years detailing the Name of Scheme, Contact Person and email address, designation, date and duration of appointment, size of scheme assets under management, Number of members. The letters should also demonstrate responsiveness to queries, timeliness in reporting and feedback, performance and versatility of ICT. The letters should also include a confirmation that the Procuring entity is free to verify the authenticity of the references.	5
	Demonstrate the financial Stability of the firm (Please include the liquidity ratio. Minimum acceptable is 2:1)	3
	Please state your appointed banker (s) and provide a letter of authority to seek references.	2
	<u>Part III: Oral Presentations</u>	20 Marks
	Oral Presentations will entail the firms understanding of the assignment, how the firm intends to execute the assignment and their team composition for the task. Information from the oral presentation will also be used as part of the technical evaluation process. The procuring entity reserves the right to incorporate elements from oral presentations in the final contract	20

Option 2: Property Investment (Management) Advisory Mandate

	<u>Part I: Relevant Experience and Performance</u>	60 Marks
	Explain your understanding of the Property Investment Advisory Role	5
	Elaborate on experience of the firm in providing advisory services for Property portfolio.	10
	Provide a detailed profile of your Property Investment Management personnel that would be assigned to the Services. Qualifications and competence key professionals of the following disciplines; Realtor, Architect, QS, Engineer attach copies of certificates. Include an organizational chart highlighting the personnel proposed to be involved in the assignment.	10
	Give details of the current property portfolio you are managing	5
	List any Projects you have been involved and the specific role played in the project.	5
	Describe the firms' Process (Research, Approach, Philosophy, Style, Evaluation, Approvals, Monitoring, Evaluation and Reporting), Core competencies, Risk Management Framework and Internal Controls, Reporting mechanisms, Business Continuity and disaster recovery controls and differentiate it from other competitors in the industry	4
	Provide a statement/declaration executed by the Board of Directors and witnessed by a commissioner of oath stating that investment decisions of the Fund Manager with regards to the Board of Trustees, NSSF portfolio shall be independent of any undue influence and/or directions of major shareholders or interest groups and shall remain so for the duration of the Fund Management contract.	2
	Demonstrate the ability to provide other value addition services within the proposed fee scale e.g. Mode and Frequency of reporting to Board of Trustees, NSSF and AGM, last report being for financial year end of June every year, Capacity Building and knowledge transfer for Board of Trustees and Management of the procuring entity, Investment Advisory, Advice on emerging local and global markets trends, forecasts, opportunities and access to up to date market research etc	4
	<u>Part II: Proposal for the assignment</u>	25 Marks

	Give an elaborate and detailed methodology/work plan as to how you intend to execute the advisory role for the property portfolio.	10
	Illustrate how you intend to improve yields of the properties you are likely to be allocated	15
	<u>Part III: Oral Presentation</u>	20 Marks
	Oral Presentations will entail the firms understanding of the assignment, how the firm intends to execute the assignment and their team composition for the task. Information from the oral presentation will also be used as part of the technical evaluation process. The procuring entity reserves the right to incorporate elements from oral presentations in the final contract	20

Option 3: Property Investment (Development) Advisory Mandate

	<u>Part I: Relevant Experience and Performance</u>	60 Marks
	Explain your understanding of the Property Investment Development Role	5
	Elaborate on experience of the firm in providing development advisory services for the Property portfolio.	8
	Provide a detailed profile of your Property Investment Development personnel that would be assigned to the Services. Qualifications and competence key professionals of the following disciplines; Realtor, Architect, QS, Engineer attach copies of certificates. Include an organizational chart highlighting the personnel proposed to be involved in the assignment.	10
	Give details of the current development property portfolio under your management (At least two full projects – 5 points)	5
	List any Projects you have been involved and the specific role played in the project (At least four projects – 8 points)	8
	Provide a detailed explanation on how the development projects were executed. Demonstrate the activities that were involved, challenges and how they were overcome, whether the projects were completed within the specified time and prescribed specifications and yielded the projected returns. (Provide references and permission for the procuring entity to verify)	10

	Provide a statement/declaration executed by the Board of Directors and witnessed by a commissioner of oath stating that investment decisions of the Fund Manager with regards to the Board of Trustees, NSSF portfolio shall be independent of any undue influence and/or directions of major shareholders or interest groups and shall remain so for the duration of the Fund Management contract.	4
	Describe the firms' Process (Research, Approach, Philosophy, Style, Evaluation, Approvals, Monitoring, Evaluation and Reporting), Core competencies, Risk Management Framework and Internal Controls, Reporting mechanisms, Business Continuity and disaster recovery controls and differentiate it from other competitors in the industry	5
	Demonstrate the ability to provide other value addition services within the proposed fee scale e.g. Mode and Frequency of reporting to Board of Trustees, NSSF and AGM, last report being for financial year end of June every year, Capacity Building and knowledge transfer for Board of Trustees and Management of the procuring entity, Investment Advisory, Advice on emerging local and global markets trends, forecasts, opportunities and access to up to date market research etc	5
	<u>Part II: Proposal for the assignment</u>	20 Marks
	Give an elaborate and detailed methodology/work plan as to how you intend to execute the development advisory role.	20
	<u>Part III: Oral Presentation</u>	20 Marks
	Oral Presentations will entail the firms understanding of the assignment, how the firm intends to execute the assignment and their team composition for the task. Information from the oral presentation will also be used as part of the technical evaluation process. The procuring entity reserves the right to incorporate elements from oral presentations in the final contract	20

Note:

- The Technical proposals for the three options shall be submitted in a single document with separators showing different options.

- Each option will be evaluated independently

STAGE THREE:

4.3.4 FINANCIAL EVALUATION

(The quoted figures shall be checked for arithmetic errors and ranked.)

Tenderers must provide an annual investment management fee as a percentage of the Net Asset Value of the Fund for either of the options i.e. tenderers must quote for each option independently. Fees will be calculated daily and accrued quarterly.

The lowest tender figure or percentage (%) from among the Tenderers who qualify at the technical stage (75 points and above) will be used as a base value for the calculation of the weighted score using the weight 'F' shown above as follows:-

Fees will be evaluated using the formula below:

$$\left[1 - \frac{\text{Tender Fee} - \text{Lowest Tender Fee}}{\text{Highest Tender Fee}} \right] \times \text{Weighting}$$

Where:

- 'Tender Fee' is the Fee in the Tender being evaluated.
- 'Lowest Tender Fee' is the lowest Fee received.
- 'Highest Tender Fee' is the highest Fee received.
- 'Weighting' is 20.

RECOMMENDATIONS:

The tenderer with the highest combined scores (CS) will be recommended for award i.e (T) + (F)=(CS).

4.4 Special conditions of contract with reference to the general conditions of contract.

Reference of general conditions of contract	Special condition of contract
3.6 Performance security	Performance security shall be a valid Professional indemnity cover to the extend of liability/exposure
3.8 Payment	Shall be payable after every quarter based on funds under management and the agreed fee (percentage)
3.14 Resolution of disputes	The parties shall request to submit the dispute to arbitration and to concur in the appointment of an arbitrator within thirty (60) days of the notice. The dispute shall be referred to the arbitration of a person to be agreed between the parties, failing to concur in the appointment of an arbitrator, the arbitrator shall be appointed by a competent court of law residing in Kenya as the first step in resolving the dispute
3.17 Applicable law	Shall be the laws of Kenya
3.18 Notices	The Board of Trustees, NSSF National Social Security Fund P.O. Box 30599 NAIROBI.

SECTION V – SCHEDULE OF REQUIREMENTS

GENERAL

1. The Fund Manager shall submit performance reports and other relevant disclosures to the Board of Trustees, NSSF within seven days of the end of the reporting period. Retirement Benefits Authority within 45 days
2. The NSSF Funds is allowed to invest within the approved limits in non- listed bonds and instruments issued by private companies provided that the instruments have received an investment grade from a credit rating agency approved by the Capital Markets Authority.
3. Fund investments in Uganda, Rwanda, Burundi and Tanzania Government Securities to be treated as domestic investments.
4. Delivery Period

The Provision of Fund Management Services shall be effective from 2nd December 2017 for a contract period of three years subject to achieving the financial and operational performance benchmarks.

SECTION VI – STANDARD FORMS

Notes on standard forms

1. The Tenderer shall complete and submit with its Tender the form of Tender and price schedules pursuant to instructions to Tenderers clause 2.8 and it must be duly signed by duly authorized representatives of the Tenderer.
2. When requested by the appendix to the instructions to Tenderers, the Tenderer should provide the Tender security, either in the form included herein or in another form acceptable to the NSSF Funds.
3. Confidential Business Questionnaire Form - This form must be completed by the Tenderer and submitted with the Tender documents
4. Tender Security Form - When required by the Tender document the Tenderer shall provide the Tender security either in the form included hereinafter or in another format acceptable to the NSSF Funds.
5. The contract form shall not be completed by the Tenderer at the time of submitting the Tender. The contract form shall be completed after contract award and should incorporate the accepted contract price.
6. The performance security form should not be completed by the Tenderers at the time of Tender preparation. Only the successful Tenderer will be required to provide performance security in accordance with the form indicated herein or in another form acceptable to the NSSF Funds and pursuant to the – conditions of contract.
7. The Declaration form should be completed by **the Managing Director or as appropriate** in accordance with the Tender documents.

1. TECHNICAL PROPOSAL SUBMISSION FORM

_____ **[Date]**

To:
Managing Trustee
National Social Security Fund
P.O Box 30599 – 00100
Nairobi.

Ladies/Gentlemen:

We, the undersigned, offer to provide **Fund Management Services - Tender No. 06/2017-2018.....(RFP)** in accordance with your Request for Proposal dated _____ and our Proposal.

We agree to abide by this Tender for a period of **90** [number] days from the date fixed for Tender opening of the Instructions to Tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We remain,

Yours sincerely,

_____ **[Authorized Signature]:**

_____ **[Name and Title of Signatory]:**

_____ **[Name of Firm]**

_____ **[Address]**

FORM OF TENDER (USE FOR FINANCIAL SUBMISSION)

To:

Date: _____

**The Board of Trustees, NSSF
National Social Security Fund
P.O. Box 30599
NAIROBI.**

Gentlemen and/or Ladies:-

1. Having examined the Tender documents including Addenda No. (Insert numbers) the receipt of which is hereby duly acknowledged, we the undersigned, offer to provide Fund Management Services under this Tender in conformity with the said Tender document for the sum of Kshs. _____% **(percent) of funds under Management** [in words and figures] inclusive of VAT or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Tender.
2. We undertake, if our Tender is accepted, to provide the Fund Management Services in accordance with the conditions of the Tender.
3. If our Tender is accepted, we will obtain a professional indemnity cover to the extent of the liability/exposure for the due performance of the Contract, in the form prescribed by the NSSF Funds.
4. We agree to abide by this Tender for a period of **90** [number] days from the date fixed for Tender opening of the Instructions to Tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
5. This Tender, together with your written acceptance thereof and your notification of award, shall constitute a Contract between us subject to the signing of the contract by both parties.
6. We understand that you are not bound to accept the lowest or any Tender you may receive.

Dated this _____ day of _____ 2017

[Signature]

[In the capacity of]

Duly authorized to sign Tender for and on behalf of _____

PRICE SCHEDULE OF SERVICES

Name of Tenderer _____ Tender Number _____. Page ____ of ____.

1	2	3	4
Item Description	Unit Price / % Rate	VAT	Total Price / % Rate
TOTAL INCLUSIVE OF VAT			

Signature of Tenderer (Duly Authorised Officer)

Note: In case of discrepancy between unit price and total, the total price shall prevail.

CONTRACT FORM

THIS AGREEMENT made the ____ day of ____ 20____ between.....[*name of procurement entity*] of[*country of Procurement entity*](hereinafter called “the Procuring entity”) of the one part and[*name of Tenderer*] of[*city and country of Tenderer*](hereinafter called “the Tenderer”) of the other part.

WHEREAS the Procuring entity invited Tenders for certain services. Viz..... [brief description of the services] and has accepted a Tender by the Tenderer for the supply of those services in the sum of[*contract price in words and figures*](Hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) the Tender Form and the Price Schedule submitted by the Tenderer;
 - (b) the Schedule of Requirements;
 - (c) the description of services / scope of services;
 - (d) the General Conditions of Contract;
 - (e) the Special Conditions of Contract; and;
 - (f) the Procuring entity’s Notification of Award.
3. In consideration of the payments to be made by the Procuring entity to the Tenderer as hereinafter mentioned, the Tenderer hereby covenants with the Procuring entity to provide the services and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Procuring entity hereby covenants to pay the Tenderer in consideration of the provision of the services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written.

Signed, sealed, delivered by _____ the _____ (for the Procuring entity)

Signed, sealed, delivered by _____ the _____ (for the Tenderer)

in the presence of _____.

CONFIDENTIAL BUSINESS QUESTIONNAIRE

You are requested to give the particulars indicated in Part 1 and either Part 2 (a), 2(b) or 2(c) whichever applied to your type of business.

You are advised that it is a serious offence to give false information on this form.

	Part 1 General Business Name..... Location of Business Premises Plot No,.....Street/Road..... Postal addressTel No.Fax Email..... Nature of Business Registration Certificate No..... Maximum value of business which you can handle at any one time – Kshs..... Name of your bankers..... Branch.....																				
	Part 2 (a) – Sole Proprietor Your name in full.....Age..... Nationality.....Country of Origin..... Citizenship details.....																				
	Part 2 (b) – Partnership Given details of partners as follows <table border="1"> <thead> <tr> <th>Name</th><th>Nationality</th><th>Citizenship details</th><th>Shares</th></tr> </thead> <tbody> <tr> <td>1.</td><td>.....</td><td>.....</td><td>.....</td></tr> <tr> <td>2.</td><td>.....</td><td>.....</td><td>.....</td></tr> <tr> <td>3.</td><td>.....</td><td>.....</td><td>.....</td></tr> <tr> <td>4.</td><td>.....</td><td>.....</td><td>.....</td></tr> </tbody> </table>	Name	Nationality	Citizenship details	Shares	1.				2.				3.				4.			
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1.																					
2.																					
3.																					
4.																					
	Part 2 (c) – Registered Company Private or Public State the nominal and issued capital of company Nominal Kshs. Issued Kshs. Given details of all directors as follows <table border="1"> <thead> <tr> <th>Name</th><th>Nationality</th><th>Citizenship details</th><th>Shares</th></tr> </thead> <tbody> <tr> <td>1.</td><td>.....</td><td>.....</td><td>.....</td></tr> <tr> <td>2.</td><td>.....</td><td>.....</td><td>.....</td></tr> <tr> <td>3.</td><td>.....</td><td>.....</td><td>.....</td></tr> <tr> <td>4.</td><td>.....</td><td>.....</td><td>.....</td></tr> </tbody> </table>	Name	Nationality	Citizenship details	Shares	1.				2.				3.				4.			
Name	Nationality	Citizenship details	Shares																		
1.																					
2.																					
3.																					
4.																					

	Date.....Signature of Tenderer.....
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TENDER SECURITY FORM

Whereas[name of the Tenderer]

(hereinafter called "the Tenderer")has submitted its Tender dated.....[date of submission of Tender] for the provision of[name and/or description of the services](hereinafter called "the Tenderer")KNOW ALL PEOPLE by these presents that WE.....Of.....having registered office at[name of the Bank](hereinafter called "the Bank")are bound unto.....[name of procuring entity](hereinafter called "the procuring entity") in the sum offor which payment well and truly to be made to the said NSSF, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this_____ day of 20_____.

THE CONDITIONS of this obligation are:

1. If the Tenderer withdraws its Tender during the period of Tender validity specified by the Tenderer on the Tender Form; or
2. If the Tenderer, having been notified of the acceptance of its Tender by the Board of Trustees, NSSF during the period of Tender validity:
 - (a) fails or refuses to execute the Contract Form, if required; or
 - (b) fails or refuses to furnish the performance security, in accordance with the instructions to Tenderers;

we undertake to pay to the Board of Trustees, NSSF up to the above amount upon receipt of its first written demand, without the Board of Trustees, NSSF having to substantiate its demand, provided that in its demand the Board of Trustees, NSSF will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.
This guarantee will remain in force up to and including thirty (30) days after the period of Tender validity, and any demand in respect thereof should reach the Bank not later than the above date.

[signature and seal of the bank]

PERFORMANCE SECURITY FORM

To:

[name of the procuring entity]

WHEREAS.....[name of Tenderer]

(hereinafter called "the Tenderer") has undertaken, in pursuance of Contract No. _____[reference number of the contract] dated _____20____to

supply.....

[Description services](Hereinafter called "the contract")

AND WHEREAS it has been stipulated by you in the said Contract that the Tenderer shall furnish you with a bank guarantee by a reputable bank for the sum specified therein as security for compliance with the Tenderer's performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Tenderer a guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Tenderer, up to a total of
[amount of the guarantee in words and figures],

and we undertake to pay you, upon your first written demand declaring the Tenderer to be in default under the Contract and without cavil or argument, any sum or sums within the limits of*[amount of guarantee]* as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the _____ day of 20

Signature and seal of the Guarantors

[name of bank or financial institution]

[address]

[date]

LETTER OF NOTIFICATION OF AWARD

Address of procuring entity

To:_____

RE: Tender No._____

Tender Name_____

This is to notify that the contract/s stated below under the above mentioned Tender have been awarded to you.

1. Please acknowledge receipt of this letter of notification signifying your acceptance.
2. The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.
3. You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

(FULL PARTICULARS)_____

SIGNED FOR ACCOUNTING OFFICER

DECLARATION FORM

STATEMENT OF VERIFICATION THAT NOT DEBARRED IN THE MATTER OF THE PUBLIC PROCUREMENT AND DISPOSAL ACT 2015.

I,of P. O. Box being a resident of in the Republic of Kenya do hereby make a statement as follows:-

1. THAT I am the Chief Executive/Managing Director/Principal Officer/Director of (Name of the Company) who is a Tenderer in respect of **Tender No.** To supply goods, render services and/or carry out works for National Social Security Fund and duly authorized and competent to make this statement.
2. THAT the aforesaid Tenderer has not been debarred from participating in procurement proceeding under Part IX.
3. THAT the aforesaid Tenderer will not engage in any corrupt practice and has not been requested to pay any inducement to any member of the Board, Management, Staff and/or employees and/or agents of **BOARD OF TRUSTEES, NATIONAL SOCIAL SECURITY FUND**, which is the procuring entity.
4. THAT the aforesaid Tenderer, its servants and/or agents have not offered any inducement to any member of the Board, Management, Staff and/or employees and/or agents of National Social Security Fund.
5. THAT what is deponed to hereinabove is true to the best of my knowledge information and belief.

.....
(Title) (Signature)

.....
(Date)