

KENYA NATIONAL EXAMINATIONS COUNCIL



**KNEC STAFF RETIREMENT BENEFITS SCHEME 2011
PROVISION OF FUND MANAGEMENT SERVICES**

TENDER NO: KNEC/GA/2016/2017/033

CLOSING / RETURN DATE: 7TH DECEMBER, 2016

Table of Contents

SECTION I	INVITATION FOR TENDERS.....	4
SECTION II	- INFORMATION TO FUND MANAGERS.....	5
2.1	Introduction.....	5
2.2	Clarification and Amendment of Tender Documents.....	5
2.3	Preparation of Technical Proposal.....	5
2.4	Preparation of Financial Proposal.....	7
2.5	Submissions, Receipt, and Opening of Proposals.....	8
2.6	Proposal Evaluation General.....	8
2.7	Evaluation of Technical Proposal.....	9
2.8	Public Opening and Evaluation of Financial Proposal.....	9
2.9	Presentations to the Board of Trustees.....	10
2.10	Award of Contract.....	10
2.11	Confidentiality.....	10
2.12	Corrupt or fraudulent practices.....	10
SECTION III:	- TECHNICAL PROPOSAL.....	11
3.1	Notes on the preparation of the Technical Proposals.....	11
3.2	FIRM'S REFERENCES AND STRENGTH.....	11
3.3	DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR PERFORMNG THE ASSIGNMENT.....	12
3.4.	TEAM COMPOSITION AND TASK ASSIGNMENTS.....	13
3.5.	FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL.....	13
	STAFF.....	13
SECTION IV:	- TERMS OF REFERENCE.....	15
SECTION V	- TECHNICAL EVALUATION CRITERIA.....	18
5.1	EVALUATION CRITERIA SUMMARY.....	18
5.1.1	MANDATORY REQUIREMENTS.....	18
5.1.2	CORPORATE STRUCTURE-15 marks.....	19
5.2	ADDITIONAL REQUIRED INFORMATION.....	22
5.3	Information related to Fees.....	22
SECTION VI:	- FINANCIAL PROPOSAL.....	23

SECTION VII: - STANDARD FORMS/APPENDICES	25
7.1 Notes on the standard Forms.....	25
APPENDIX- I.....	26
APPENDIX- II.....	27
Technical Proposal Submission Form	27
Contract Form	27
APPENDIX- III	29
Confidential Business Questionnaire	29
APPENDIX- IV	30
Tender Security Form	30
APPENDIX- V.....	32
Performance Security Form	32
Signature and seal of the Guarantors	32
APPENDIX -VI	33
Financial Proposal Submission Form	33

SECTION I

INVITATION FOR TENDERS

The KNEC invites sealed tenders from eligible Scheme providers for Provision of Pension Fund Management Services for the Staff Retirement Benefits Scheme for year 2017. The Pension Scheme was established under an irrevocable trust in 1989 as a Defined Benefit Scheme, however, in 1st July 2011 was converted into a Defined Contribution Pension Scheme and is managed by Trustees under a Trust Deed and Rules and the Retirement Benefit Authority Act 1997 and Regulations. The Scheme has 409 members, the assets value as at 30th September 2016 amounted to **Kes.1.5 billion**. The Scheme assets are currently managed by one fund manager and there is a possibility of sharing the fund out to **two fund managers on a fifty-fifty basis in the near future**. The aim of this tender is to source for:-

- 1.1 Funds Management services for Staff Retirement Benefits Scheme 2011.
- 1.2 Interested eligible candidates may obtain further information from and inspect the tender documents at KNEC Office at NHC Building, during normal office working hours.
- 1.3 A complete set of tender documents will be obtained by interested candidates from KNEC web site.
- 1.4 Prices quoted should be net inclusive of all taxes, and delivery costs, must be in Kenya Shillings and shall remain valid for the entire contract period.
- 1.5 Tender bids in plain sealed envelope indicating the tender number and bearing no indication of the Tenderer should be addressed to:

**The Chief Executive Officer
Kenya National Examinations Council
P O Box 73598 – 00200
NAIROBI**

- 1.6 And placed in the **Tender Box** on **6th Floor** of the **NHC Building, Nairobi** or sent by post so as to reach the above address not later than **Wednesday 7th December, 2016 at 10.00 am**.
- 1.7 Submitted documents will be opened publicly in the **Conference Room** on **6th Floor, NHC Building** soon after the above stated closing date and time in the presence of the Tenderers or their representatives who choose to attend. Late bids will be returned unopened.

- 1.8 The Kenya National Examinations Council and The Board of Trustees reserves the right to reject any tender without giving reasons for the rejection and does not bind itself to the lowest or any tender.

SECTION II - INFORMATION TO FUND MANAGERS

2.1 Introduction

- 2.1.1 Fund Managers are invited to submit a Technical Proposal and a Financial Proposal, as specified in the document to provide fund management services for the assignment named in the said Appendix.
- 2.1.2 The fund managers must familiarize themselves with local conditions and take them into account in preparing their proposals. To obtain first hand information on the assignment and on the local conditions, fund managers are encouraged to liaise with the Client regarding any information that they may require before submitting a proposal. Fund managers should ensure that these officials are advised of the visit in adequate time to allow them to make appropriate arrangements.
- 2.1.3 Please note that
- (i) The costs of preparing the proposal and of negotiating the Contract, including any visit to the client are not reimbursable as a direct cost of the assignment; and
 - (ii) The Client is not bound to accept any of the proposals submitted.
- 2.1.5 Kenya National Examinations Council Pension Scheme 2011 employees, committee members, board members and their relatives (Spouse and children) are not eligible to participate.

2.2 Clarification and Amendment of Tender Documents

At any time before the submission of proposals, the Client may for any reason, whether at his own initiative or in response to a clarification requested by an invited firm, amend the tender. Any amendment shall be issued in writing through addenda. Addenda shall be sent by mail.

2.3 Preparation of Technical Proposal

- 2.3.1 The Fund managers proposal shall be written in English language
- 2.3.2 In preparing the Technical Proposal, fund managers are expected to examine the documents constituting this Tender in detail. Material deficiencies in providing the information requested may result in rejection of a proposal.

2.3.3 While preparing the Technical Proposal, fund managers must give particular attention to the following:

- (i) It is desirable that the majority of the key professional staff proposed be permanent employees of the firm or has an extended and stable working relationship with it.
- (ii) Proposed professional staff must as a minimum, have the experience indicated in Appendix preferably working under conditions similar to those prevailing in Kenya.
- (iii) Alternative professional staff shall not be proposed and only one curriculum vitae (CV) may be submitted for each person.

2.3.4 The Technical Proposal shall provide the following mandatory information using the attached standard forms: -

- (i) Certificate of incorporation.
- (ii) Certificate of registration by Retirement Benefits Authority (RBA).
- (iii) Certificate of registration by Capital Markets Authority (CMA).
- (iv) PIN certificate
- (v) Audited accounts for the last three years
- (vi) Valid Business License.
- (vii) Tax compliance certificate
- (viii) VAT Registration Certificate.
- (ix) Professional Indemnity Cover

2.3.5 The Technical Proposal should include among others (refer to evaluation criteria): -

- (i) The profile of the firm
- (ii) Detailed explanation of services offered
- (iii) Your Suitability to provide these services
- (iv) Your experience in providing the fund management services
- (v) Number of current pension schemes categorized by asset base
- (vi) Letter of undertaking authorizing the Scheme to obtain confidential information concerning your company from your clients.
- (vii) List of your new clients over the last 3 years. Please provide the fund size of the Scheme's you gained.
- (viii) List of the clients you lost over the last 3 years. Please provide the fund size of the Scheme's you lost.
- (ix) List of Directors and their qualifications.
- (x) Share capital
- (xi) Reference Letters from at least 3 of your current clients.
- (xii) Your investment philosophy and methodology.
- (xiii) Qualifications of the team proposed to service the Scheme. (You should provide CVs for the team member).

- (xiv) The fund management processes and procedures that are in place to ensure accuracy of the data.
- (xv) Historical performance (weighted average method) for the last three years (the firms average and for three clients with asset base of 5 billion or above).
- (xvi) The administration systems you use.
- (xvii) How you are likely to meet any new regulations published by the Retirement Benefit Authority.
- (xviii) A brief description of the firm's organization and an outline of recent experience on assignments of a similar nature. For each assignment, the outline should indicate inter alia, the profiles of the staff proposed, duration of the assignment, contract amount and firm's involvement.
- (xix) Any comments or suggestions on the terms of reference, a list of services and facilities to be provided by the client.
- (xx) Any Value added services you are likely to provide.

2.3.6 The Technical Proposal shall not include any financial information.

2.4 Preparation of Financial Proposal

- 2.4.1 In preparing the Financial Proposal, fund managers are expected to take into account the requirements and conditions outlined in the RFP documents. The Financial Proposal should follow Standard Forms (Section D). It lists all costs associated with the assignment including; (a) remuneration for staff (in the field and at headquarters), and; (b) reimbursable expenses such as subsistence (per diem, housing), transportation (international and local, for mobilization and demobilization), services and equipment (vehicles, office equipment, furniture, and supplies), office rent, insurance, printing of documents, surveys, and training, if it is a major component of the assignment. If appropriate these costs should be broken down by activity.
- 2.4.2 The Financial Proposal should clearly identify as a separate amount, the local taxes, duties, fees, levies and other charges imposed under the law on the consultants, the sub-consultants and their personnel, unless Appendix "A" specifies otherwise.
- 2.4.3 Fund managers shall express the price of their services in Kenya Shillings.
- 2.4.4 Commissions and gratuities, if any, paid or to be paid by fund managers and related to the assignment will be listed in the Financial Proposal submission Form.
- 2.4.5 The Proposal must remain valid for 90 days after the submission date. During this period, the fund manager is expected to keep available, at his

own cost, the professional staff proposed for the assignment. Kenya National Examinations Council Pension Scheme 2011 will make its best effort to complete negotiations within this period. If the Kenya National Examinations Council Pension Scheme 2011 wishes to extend the validity period of the proposals, the consultants shall agree to the extension.

2.5 Submissions, Receipt, and Opening of Proposals

- 2.5.1 The original proposal (Technical Proposal and, if required, Financial Proposal; see para. 1.2) shall be prepared in indelible ink. It shall contain no interlineations or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be initialed by the persons or person authorized to sign the proposals.
- 2.5.2 For each proposal, the fund managers shall prepare the number of copies indicated in Appendix “A”. Each Technical Proposal and Financial Proposal shall be marked “**ORIGINAL**” or “**COPY**” as appropriate. If there are any discrepancies between the original and the copies of the proposal, the original shall govern.
- 2.5.3 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked “**TECHNICAL PROPOSAL**,” and the original and all copies of the Financial Proposal in a sealed envelope clearly marked “**FINANCIAL PROPOSAL**” and warning: “**DO NOT OPEN WITH THE TECHNICAL PROPOSAL**”. Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and other information indicated in the Appendix and is clearly marked, “**DO NOT OPEN, EXCEPT IN PRESENCE OF THE OPENING COMMITTEE.**”
- 2.5.4 The completed Technical and Financial Proposals must be delivered at the submission address on or before the time and date stated in the Appendix. Any proposal received after the closing time for submission of proposals shall be returned to the respective consultant unopened.
- 2.5.5 After the deadline for submission of proposals, the Technical Proposal shall be opened immediately by the Opening Committee. The Financial Proposal shall remain sealed and deposited in the Tender box up to the time for public opening of financial proposals.

2.6 Proposal Evaluation General

- 2.6.1 From the time the bids are opened to the time the Contract is awarded, if any fund manager wishes to contact the Client on any matter related to his proposal, he should do so in writing at the address indicated in the Appendix . Any effort by the firm to influence the Client in the proposal

evaluation, proposal comparison or Contract award decisions may result in the rejection of the fund manager's proposal.

- 2.6.2 Evaluators of Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded.

2.7 Evaluation of Technical Proposal

- 2.7.1 The evaluation committee appointed by the Client shall evaluate the proposals on the basis of their responsiveness to the Terms of Reference.
- 2.7.2 Each responsive proposal will be given a technical score. A proposal shall be rejected at this stage if it does not respond to important aspects of the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Appendix.

2.8 Public Opening and Evaluation of Financial Proposal

- 2.8.1 After Technical Proposal evaluation, the Client shall notify those fund managers whose proposals did not meet the minimum qualifying mark or were considered non-responsive to the RFP and Terms of Reference, indicating that their Financial Proposals will be returned after completing the selection process. The Client shall simultaneously notify the fund managers who have secured the minimum qualifying mark, indicating the date and time set for opening the Financial Proposals and stating that the opening ceremony is open to those fund managers who choose to attend. The opening date shall not be sooner than seven (7) days after the notification date. The notification may be sent by registered letter, cable, telex, facsimile or electronic mail.
- 2.8.2 The Financial Proposals shall be opened publicly in the presence of the fund managers' representatives who choose to attend. The name of the fund manager, the technical scores and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened. The Client shall prepare minutes of the public opening.
- 2.8.3 The evaluation committee will determine whether the financial proposals are complete
- 2.8.4 While comparing proposal prices between local and foreign firms participating in a selection process in financial evaluation of Proposals, firms incorporated in Kenya where indigenous Kenyans own 51% or more of the share capital shall be allowed a 10% preferential bias in proposal prices. However, there shall be no such preference in the technical evaluation of the tenders. Proof of local incorporation and citizenship shall be required before the provisions of this sub-clause are applied.

Details of such proof shall be attached by the Fund manager in the financial proposal.

2.9 Presentations to the Board of Trustees

The above selected bidders will be invited to make presentations to the Board of Trustees at a date to be advised for the purposes of final ranking and negotiations.

2.10 Award of Contract

2.10.1 The Contract will be awarded following negotiations. After negotiations are completed, the Client will promptly notify other fund managers on the shortlist that they were unsuccessful and return the Financial Proposals of those fund managers who did not pass the technical evaluation.

2.10.2 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.

2.10.4 The procuring entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.

2.10.5 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.

2.10.6 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.

2.11 Confidentiality

Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the fund managers who submitted the proposals or to other persons not officially concerned with the process, until the winning firm has been notified that it has been awarded the Contract.

2.12 Corrupt or fraudulent practices

- 2.12.1 The procuring entity requires that the fund managers observe the highest standards of ethics during the selection and award of the fund management contract and also during the performance of the assignment. The tenderer shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.
- 2.12.2 The procuring entity will reject a proposal for award if it determines that the fund manager recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.
- 2.12.3 Further a fund manager who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

SECTION III: - TECHNICAL PROPOSAL

3.1 Notes on the preparation of the Technical Proposals

- 3.1 In preparing the technical proposals, the fund manager is expected to examine all terms and information included in the RFP. Failure to provide all requested information shall be at the fund managers own risk and may result in rejection of the fund manager's proposal.
- 3.2 The technical proposal shall provide all required information and any necessary additional information and shall be prepared using the standard forms provided in this Section.
- 3.3 The Technical proposal shall not include any financial information unless it is allowed in the Appendix to information to the fund managers or the Special Conditions of contract.

3.2 FIRM'S REFERENCES AND STRENGTH

Relevant services carried out in the last three years that best illustrate qualifications.

- 3.2.1** Please provide the following information for the Schemes under your Fund Management:

Size of Schemes in Kes.	<1bn	1.01bn – 1.5bn	1.51bn – 2bn	>3bn	Total
Number of pension Schemes					
Total Value					

3.2.2 Kindly also indicate as at 30 June 2016, 2015 and 2014 the:

- Value of the largest pension/provident Scheme
- Value of the smallest pension/provident Scheme

3.2.3 Details of major clients (at least with an asset base of at least Kes.1.5 Billion)

Using the format below, provide information on each assignment for which your firm either individually, as a corporate entity or in association, was legally contracted.

Assignment Name:	Country
Location within Country:	Professional Staff provided by Your Firm/Entity (profiles):
Name of Client:	Clients contact person for the assignment.
Address:	No of Staff-Months; Duration of Assignment:
Start Date (Month/Year): Completion Date (Month/Year):	Approx. Value of Services (Kes)
Name of Associated Fund managers. If any:	No of Months of Professional Staff provided by Associated Fund managers
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:	
Narrative Description of project:	
Description of Actual Services Provided by Your Staff:	

Firm's Name: _____

Name and title of signatory; _____

3.3 DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

3.3.1 INVESTMENT PHILOSOPHY AND PROCESS

The firm to give a summary of the investment decision making process guided by the investment philosophy and style of the firm as follows:-

- a) Investment philosophy
- b) Decision making process
- c) Asset allocation process
- d) Any additional information that is relevant.

3.3.2 COMPLIANCE AND GOVERNANCE PROCESSES

The firm to summarize the compliance to the statutory client mandate and the internal operating procedures requirements, as follows:-

- a) Compliance
- b) Governance processes
- c) Risk identification and control mechanical

3.4. TEAM COMPOSITION AND TASK ASSIGNMENTS

3.4.1 Technical/Managerial Staff

Name	Position	Task

3.4.2 Support Staff

Name	Position	Task

3.5. FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

Proposed Position: _____

Name of Firm: _____

Name of Staff: _____

Profession: _____

Date of Birth: _____

Years with Firm: _____ Nationality: _____

Membership in Professional Societies: _____

Detailed Tasks Assigned: _____

Key Qualifications:

[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations].

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degree[s] obtained.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments.]

Certification:

I, the undersigned, certify that these data correctly describe me, my qualifications, and my experience.

_____ Date: _____
[Signature of staff member]

_____ Date: _____
[Signature of authorized representative of the firm]

Full name of staff member: _____

Full name of authorized representative: _____

SECTION IV: - TERMS OF REFERENCE

4.1 The Fund Manager shall perform the following functions during the year 2017:

- (a) to buy any investments on behalf of the Scheme, and to sell or release any investments belonging to the Scheme;
 - (b) to administer any such investments;
 - (c) to exercise any voting power that it may hold in respect of any shares or other investments held on behalf of the Scheme provided that it shall always act in the Scheme's best interests;
 - (d) to give any instructions to any third party such as a custodian, a registrar, a stockholder or other dealer or any other person in respect of the investments;
 - (e) as the Board's representative, to enter into any agreement with any other person, or regulatory body;
 - (f) generally to do whatever may be necessary to comply with the provisions of the Retirement Benefits Act 1997 and Regulations or Conditions promulgated in terms thereof.
 - (g) The Fund Manager further undertakes to make available to the Board at all reasonable times an appropriate specialist official to answer any reasonable queries raised by the Board or to advise the Board on any matter relating to its investment portfolios.
 - (h) Without prejudice to the provisions of clause 5.1, The Fund Manager shall in performance of its functions hereunder, undertake the following duties:-
- 4.2 assist the Board to formulate a prudent investment policy on the investment of Scheme funds
- 4.3 advise the Board on the asset classes, which are available for investment
- 4.4 invest capital moneys, which form part of the Scheme funds subject to the investment policy
- 4.5 draw up proposals for the investment of the Scheme funds, in consultation with the Board and other professionals, as may be necessary, subject to any general or specific directives of the Board regarding investments;
- 4.6 prepare quarterly reports on investment options available showing current rates of return, an evaluation of assorted investment risks and capital requirements and giving the extent of their liquidity implications;

- 4.7 prepare forecast of cash flows using data supplied by the Administrator;
- 4.8 ensure that the investment of funds and re-investment of income there from are carried out with due care and prudence and in accordance with the Scheme's investment policy;
- 4.9 submit to the Board at least quarterly from the date of commencement of the financial year of the Scheme:
 - (a) A valuation of the Scheme fund and all of the investments representing the same including details of the cost of such investments and their estimated yields;
 - (b) A report reviewing the investment activity and performance of the investment portfolios comprising the Scheme fund since the last report date and containing the Manager's proposals for the investment of the Scheme fund during the following period as recommended by the Authority;
 - (c) A record of all investment transactions during the previous period;
- 4.10 sit in attendance at the meetings of the Board whenever the same have an agenda item involving management of the Scheme fund provided he will have no voting rights at such meeting;
- 4.11 in consultation with and on behalf of the Board, issue instructions to the Custodian to transfer, exchange, deliver in the required form and manner scheme assets held by the Custodian;
- 4.12 in consultation with and on behalf of the Board, issue instructions to the Custodian to effect payment in respect of purchased securities or any other assets;
- 4.13 keep or cause to be kept such books, records and statements as may be necessary to give a complete record of:
 - (a) The Scheme fund investment portfolio held by the Custodian;
 - (b) The investment transactions carried out by the Custodian as instructed by the Manager, and to permit the Board, its officers or duly authorized persons to inspect within the premises of the Manager such books, records and statements at any time during business hours;
- 4.14 ensure that minutes, statements and resolutions in respect of the Scheme fund or investment portfolio are properly filed;

- 4.15 credits into the Scheme fund all monetary benefits, commissions or gains arising directly or indirectly out of managing the Scheme funds;
- 4.16 to liaise with the Board, the Custodian, and the Actuary, and any other professionals appointed by the Board in all matters relating to the management of the Scheme fund.
- 4.17 to carry out such other duties or functions as may be assigned to him from time to time by the Board.

Without in any way detracting from the generality of the above provisions the Fund Manager with regard to any of the Scheme's investments entrusted to or that may subsequently be acquired on behalf of the Scheme and unless otherwise instructed by the Board in writing shall exercise any voting power in respect of any investments held on behalf of the Scheme provided that it shall always act in the Scheme's best interest, and shall generally do whatever may be necessary to comply with the provisions of the Retirement Benefits Act.

SECTION V - TECHNICAL EVALUATION CRITERIA

The Kenya National Examinations Council Pension Scheme 2011 will consider the under listed criteria for evaluating tender tenders

5.1 EVALUATION CRITERIA SUMMARY

EVALUATION CRITERIA	SCORE/ PARTICULARS PROVIDED
Mandatory Requirements	YES/NO
Corporate Structure	15
Staff	10
Investment Philosophy & Investment process	25
Administration and Systems	20
Compliance	10
Past Performance	15
General Considerations	10
TOTAL	100

5.1.1 MANDATORY REQUIREMENTS

	Criterion	Particulars Provided (YES/NO)
1	Name of bidder	
2	Registered office	
3	Postal address	
4	Telephone/fax number	
5	Email address	
6	Certificate of incorporation	
7	RBA certificate of registration	
8	CMA Certificate of registration	
9	PIN certificate	
10	Audited accounts for last three years	
11	Valid Business License	
12	Tax compliance certificate	
13	VAT registration certificate	
14	Professional Indemnity cover	

5.1.2 CORPORATE STRUCTURE-15 marks

	Criterion	Particulars provided	Scores
1	Operational History		
2	Ownership Structure		
3	Organizational Structure		
4	Hierarchical Structure		
5	Efficiency of structure		
6	Capital Strength –Share Capital		
7	Pension assets under management		
8	Suitability to provide fund management services-reference letters		
9	Number of retirement schemes under fund management		
10	Number of Schemes added in last 3 yrs		
11	Number of Schemes lost in last 3 years		
12	Total size of new accounts won in the last three years		
13	Total size of accounts lost in the last three years		
14	Fund value of Biggest Scheme under management		
15	Fund value of Smallest Scheme under management		
16	Qualifications of Directors		
17	Value added services		

5.1.3 STAFF-10 MARKS

	Criterion	Particulars provided	Scores
1	Staff Complement of Organization		
2	Experience of staff (cumulative years)		
3	Appropriate qualification of investment team		
4	Service with company (cumulative years)		
5	Incentive & remuneration		
6	Staff share holding in organization		
7	Key man risk (N/Y)		
8	Capability/experience/composition of client team		
9	Defined function & segregation of staff roles		
10	Back office/fund management/compliance		

5.1.4 INVESTMENT PHILOSOPHY-5 MARKS

	Criterion	Particulars provided	Scores
1	Sound process and view towards investing pension assets		
2	Management style		
3	Asset allocation		

5.1.5 INVESTMENT PROCESS-20 MARKS

	Criterion	Particulars provided	Scores
1	Clarity and consistency of decision making		
2	Clear approach and process governing investment decisions		
3	Research capabilities and resources (internal/external)		
4	Quality and depth of research		
5	Client Visits		
6	Effective integration of research into investment decision making		
7	Investment decision making		
8	Clear processes from research to decision to execution		
9	Risk Control		
10	Has the investment decision making process been amended in last 3 years		
11	Processes and procedures to ensure accuracy of data		
12	International partner		

5.1.6 ADMINISTRATION & SYSTEMS-20 MARKS

	Criterion	Particulars provided	Scores (Max)
1	Back office and front office segregation		
2	Dedicated back office staff		
3	Qualified back office staff		
4	Relevant work experience back office(cumulative years)		
5	Administration system		
6	Capability of system		4
7	Investment reporting		
8	Overall view on the administration & system		
9	Disaster recovery/backup system		

5.1.7 COMPLIANCE-10 MARKS

	Criterion	Particulars provided	Scores
1	Compliance division /specific staff function		
2	Compliance process & procedure		
3	Qualified compliance personnel		
4	Checking and monitoring process		
5	Defined and frequency of process		
6	Defined reporting process		
7	Breach/s in past 2 years appropriate approach, treatment and prevention of breach		
8	Compliance independent of investment decision making process		
9	Compliance has the appropriate authority/autonomy		
10	Registration of fund manager with appropriate bodies		

5.1.8 PAST PERFORMANCE-15 MARKS

	Criterion	Particulars provided	Scores
1	1 year average performance out-perform inflation		
2	3 year average performance out-perform inflation		
3	1 year average performance out-perform industry		
4	3 year average performance out-perform industry		
5	Transparency in performance reporting		
6	Average Performance reflective of market/environment		
7	Performance consistent with investment style		
8	Benchmark set		
9	Three clients one year performance with fund value >2 billion		
10	Three clients three year performance with fund value >2 billion		

5.1.9 GENERAL CONSIDERATIONS-10 MARKS

	Criterion	Particulars provided	Scores
1	Professional Indemnity Insurance		
2	Level of PI		
3	Limitation of liability (disclosure of limit)		
	Termination conditions of contract with KNEC SRBS 2011		
4	Future potential of fund manager a) Staff b) Systems c) Performance, d) Service, e) Compliance.		

5.2 ADDITIONAL REQUIRED INFORMATION

5.2.1 The Team (Proposed Technical Staff for this assignment)

Please provide a brief background of the proposed technical staff for this assignment.

5.2.2 Administration

- a) How many personnel do you employ in your administration department?
- b) Do you use specific software to maintain and update your portfolio information?
- c) Please confirm that you are able to provide the following: -
 - Monthly reconciliation of cash and book values
 - A quarterly valuation/review of portfolio
 - Quarterly reconciliation of figures with those of the fund manager on book and market value basis
- d) Approximately how long, after the month and quarter ends, are you able to dispatch the relevant valuation? Are you able to guarantee this?
- e) Are you able to provide data and performance information in an electronic format for performance measurement?

5.2.3 Fund manager

- a) Do you have a preferred fund manager?
- b) If yes, who and why?

5.3 Information related to Fees (To be enclosed on a separate sealed envelope)

Please provide the following information regarding your fees for this assignment:

- (a) What is the basis of your fees?
- (b) What is the minimum size of account your firm will accept?
- (c) What is the minimum annual fee?
- (d) Under what circumstances are your fees negotiable?
- (e) What is your billing frequency?

SECTION VI: - FINANCIAL PROPOSAL

Notes on preparation of Financial Proposal

- 6.1 The financial proposal shall be in Kenya Shillings and shall take into account the tax liability and cost of insurances specified in the request for proposal.
- 6.2 The financial proposal should be prepared using the Standard forms Provided.

SECTION VII: - STANDARD FORMS/APPENDICES

7.1 Notes on the standard Forms

- 7.1.1 Form of TENDER** - The form of Tender must be completed by the tenderer and submitted with the tender documents. It must also be duly signed by duly authorized representatives of the tenderer.
- 7.1.2 Price Schedule Form**- The price schedule form must similarly be completed and submitted with the tender.
- 7.1.3 Contract Form** - 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.
- 7.1.4 Confidential Business Questionnaire Form** - This form must be completed by the tenderer and submitted with the tender documents.
- 7.1.5 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 procuring entity.
- 7.1.6 Performance security Form** - The performance security form should not be completed by the tenderer at the time of tender preparation. Only the successful tenderer will be required to provide performance security in the form provided herein or in another form acceptable to the procuring entity.

APPENDIX- I

Form of Tender

To: Name and address of procuring entity

Date _____
Tender No.
Tender Name

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 Pension Fund Management Services under this tender in conformity with the said Tender document for the sum of
.....[Total Tender amount in words and figures]
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 Services in accordance with the conditions of the tender.
3. We agree to abide by this Tender for a period of[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.
4. 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.
5. We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this _____ day of _____ 2016

[Signature]

[In the capacity of]

Duly authorized to sign tender for and on behalf of _____

APPENDIX- II

Technical Proposal Submission Form

[_____ *Date*]

To: _____ [*Name and address of Client*]

Ladies/Gentlemen:

We, the undersigned, offer to provide the fund management services for _____
_____ [*Title of Fund Manager*] in accordance with your
Request for Proposal dated _____ [*Date*] and our Proposal. We are
hereby submitting our Proposal, which includes this Technical Proposal, [and a Financial
Proposal sealed under a separate envelope-*where applicable*].

We understand you are not bound to accept any Proposal that you receive.

We remain,

Yours sincerely,

_____ [*Authorized Signature*]:

_____ [*Name and Title of Signatory*]

_____ [*Name of Firm*]

_____ [*Address:*]

Contract Form

THIS AGREEMENT made the _____ day of _____ 20 _____ between
The Kenya National Examinations Council Staff Retirement Benefit Scheme on
one _____ part _____ and
.....
..... (Hereinafter called “the tenderer”)
of the other part:

WHEREAS the Procuring entity invited tenders for the GPA cover and has accepted a
tender by the tenderer for the supply of the services in the sum of _____
_____ [contract price in words in
figures] (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSTH 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 Details of cover/Policy Number and respective policy dicuments
 - (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 GPA cover 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 _

APPENDIX- III

Confidential Business Questionnaire

You are requested to give the particular indicated in Part 1 and either Part 2(a), 2(b), or 2(c)

Whichever applies to your type of business

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

Part _____ General:

Business Name

Location of business premises

Plot No. Street/Road

Postal Address Tel. No. Fax Email

Nature of business

Registration Certificate No.

Maximum value of business which you can handle at any one time Kes..

Name of your bankers Branch

Part 2(a) – Sole Proprietor:

Your name in full Age

Nationality Country of origin

Citizenship details.....

Party 2(b) – Partnership

Give details of partners as follows

	Name	Nationality	Citizenship Details	Shares
1.
2.
3.
4.
5.

Part 2(c) – Registered Company:

Private or public

State the nominal and issued capital of the company –

Nominal Kes... ..

Issued Kes.....

Give details of all directors as follows

	Name	Nationality	Citizenship Details	Shares
1.
2.
3.
4.
5.

Date..... Signature of Tenderer

If a citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or Registration

APPENDIX- IV

Tender Security Form

Whereas [*name of Bidder*] (hereinafter called <the tenderer> has submitted its bid dated [*date of submission of bid*] for the provision of insurance services (hereinafter called <the tenderer>

KNOW ALL PEOPLE by these presents that WE [*name of bank*] of [*name of country*], having our registered office at [*name of procuring entity*] (hereinafter called <the procuring entity> in the sum of [*state the amount*] for which payment well and truly to be made to the said procuring entity, 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 procuring entity on the Form; or
2. If the tender, having been notified of the acceptance of its tender by the procuring entity 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 tenders.

We undertake to pay to the procuring entity up to the above amount upon receipt of its first written demand, without the procuring entity having to substantiate its demand, provided that in its demand the procuring entity will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the conditions, specifying the occurred condition(s)

This tender 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 stated date.

[Authorized Signatories and official stamp of the Bank]

(Amend accordingly if provided by Insurance Company)

APPENDIX- V

Performance Security Form

To:
[Name of procuring entity]

WHEREAS
.....

(Hereinafter called “the tenderer”) has undertaken, in pursuance of Contract No. _____
_____ *[reference number of the contract]* dated _____ 20 _____
to supply
[description of insurance 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 a 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 of money 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 of financial institution]

[Address]

[Date]

APPENDIX -VI

Financial Proposal Submission Form

_____ [Date]

To: _____

[Name and address of Client]

Ladies/Gentlemen:

We, the undersigned, offer to provide the fund management services for
(_____)

[Title of Fund Managers] in accordance with your Request for Proposal dated

(_____) *[Date]* and our Proposal.

Our attached Financial Proposal is*[Amount in words and figures]* inclusive of the taxes.

We remain,

Yours sincerely,

_____ *[Authorized Signature]:*

_____ *[Name and Title of Signatory]:*

_____ *[Name of Firm]*

_____ *[Address]*