



## ***National Empowerment Fund***

**RFP No: NEF 05/2011**

**REQUEST FOR PROPOSAL: PROVISION OF ASSET  
MANAGEMENT SERVICES**

**CLOSING DATE : 27/01/2012**  
**TIME : 14H00**

## CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THIS TENDER

### 1. Proprietary Information:

The National Empowerment Fund (NEF) considers this tender and all related information, either written or verbal, which is provided to the Bidders, to be proprietary to the NEF. It shall be kept confidential by the Bidders and its officers, employees, agents and representatives. The Bidders shall not disclose, publish, or advertise this specification or related information in part or as a whole to any third party without the prior written consent of NEF.

### 2. Enquiries

All communication and attempts to solicit information of any kind relative to this tender should be channeled to names provided below:

**Contact person (all questions should be in writing)**

#### **Commercial Enquiries can be directed to:**

Name: Ms Kedibone Mboweni

Head: Supply Chain Management

Telephone Number Office: +27 11 305 8000

Fax Number: +27 11 305 8001

Email address: [mbowenik@nefcorp.co.za](mailto:mbowenik@nefcorp.co.za)

#### **Technical Enquiries can be directed to:**

Name: Ms Portia Maseogane

Investment Analyst

Telephone Number Office: +27 11 305 8000

Fax Number: +27 11 305 8001

Email address: [maseoganep@nefcorp.co.za](mailto:maseoganep@nefcorp.co.za)

### 3. Medium of Communication

All the documentation submitted in response to this tender must be in English.

## CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THIS TENDER

### 4. Verification of Documents

Bidders should check the numbers of the pages to satisfy themselves that none are missing or duplicated. The NEF will not be liable for any loss which may occur as a result of any pages or information missing or duplicated from or within the submission.

### 5. Validity Period

Responses to this tender received from Bidders will be valid for a period of **90 days**, calculated from the closing date of the tender.

### 6. Submission of Tenders

- 6.1 Tenders should be submitted in **duplicate** in a sealed envelope endorsed, “**(TENDER NEF 05/2011: Provision of Asset Management Services)**”. The sealed envelope must be placed in the tender box at the Main Reception area of the NEF West Block, 187 Rivonia Road Morningside by no later than **14h00** on **27 January 2012**.
- 6.2 **A compulsory briefing session will be held on the 17 January 2012 at 11:00 at the NEF Offices**
- 6.3 The closing date, company name and the return address must also be endorsed on the envelope.
- 6.4 If a courier service company is being used for delivery of the tender document, the tender description must be endorsed on the delivery note/courier packaging to ensure that documents are delivered into the tender box. The NEF takes no responsibility of late submission due to delays in postal and courier services used by the applicants.
- 6.5 No tender received by telegram, telex, email, facsimile or similar medium will be considered.

**CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THIS TENDER**

- 6.6 Where a tender document is not in the tender box at the time of the tender closing, such a tender document will be regarded as a late tender. Late tenders will not be considered.
- 6.7 In the event that the Bidders wish to amend their submissions once made, an envelope marked "Amendment to tender" together with the other details as required above may be placed in the tender box. Such amendment must reach the NEF before the closing date. No amendment will be accepted after such closing date unless such amendment is as a result of a specific request from the NEF.
- 6.8 The Bidders are responsible for all the costs incurred in relation to the preparation and submission of the tender document including any related amendment, even in the event where such amendment is as a result of a specific request from the NEF.
- 6.9 A list of all references (minimum of 3) with contact details must be included in the tender document.
- 6.10 An original valid Tax Clearance certificate must be included in the tender document. Failure to submit a certificate would render your tender invalid.
- 6.11 A copy/ies of registration certificates from Financial Services Board (FSB) and any other professional bodies that you are affiliated to must be attached to the response to this tender.
- 6.12 The following information also needs to be provided with the tender document:
- Names and details of Senior Management.
  - Organogram of your organization.
  - Shareholder Certificates.
  - Details of employees at an Operational Level.
  - Percentage of ownership and management by:
    1. Black People
    2. Black Women
    3. White Women

**CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THIS TENDER**

- 6.13 The NEF is entitled to amend any tender conditions, the validity period, any specifications, or extend the closing date of tenders before the closing date. All Bidders, to whom tender documents have been issued, will be advised timeously, in writing, of such amendments.
- 6.14 The NEF shall not be obliged to accept the lowest offer or proposal received. The NEF reserves the right to enter into negotiations with a prospective vendor in relation to any terms and conditions, including the price of a prospective contract.
- 6.15 The NEF reserves the right to award this tender to an empowered entity or may award this tender on condition that a joint venture with an empowerment entity is formed.
- 6.16 The NEF may in its sole discretion determine how the tender will be awarded to the successful Bidders. Where the NEF deems fit, the tender may be awarded to Bidders in relation to specific portion of the terms of reference and in certain cases in relation to the entire terms of reference without having to furnish specific reasons. The NEF also reserves the right not to award the tender at all without having to furnish specific reasons.
- 6.17 The Bidders hereby offer to render all or any of the services described in this tender document to the NEF on the terms and conditions and in accordance with the specifications stipulated in this tender document. This tender document and the tenderer's response thereto shall form part of any service level agreement that may be concluded between the NEF and the bidders. In the event of conflict between such documents, the service level agreement shall take precedence over all other documents.
- 6.18 Bidders submitted must be signed by the duly representative of those Bidders, as evidenced by an authorising resolution or such similar document, a certified copy of which document, must be submitted with the tender.
- 6.19 The Bidders may be required by the NEF to prepare for a possible presentation and the Bidders shall be notified thereof no later than 4 (four) days before the actual presentation date.

**CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THIS TENDER**

- 6.20 The Bidders hereby agree that the offer herein shall remain binding upon them during the validity period. This Proposal and its acceptance shall be subject to the terms and conditions contained in this tender document.
- 6.21 The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her tender response, that the price(s) and rate(s) quoted cover all the work/item(s) specified in the Tender response documents and that the price(s) and rate(s) cover all his/her obligations under a resulting contract and that he/she accepts that any mistakes regarding price(s) and calculations will be at his/her risk.
- 6.22 The bidder hereby accepts full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on him/her under this tender as the principal(s) liable for the due fulfillment of this tender and any contract that might be concluded pursuant hereto.

**CONDITIONS AND UNDERTAKINGS BY BIDDERS IN RESPECT OF THIS TENDER**

Name of your Company (in block letters)	
Signature(s) of the Bidders or assignee(s)	
Name of person signing (in block letters)	
Capacity	
Are you duly authorized to sign this tender?	
Company Registration Number	
VAT Registration Number	
Postal address (in block letters)	
Physical address (in block letters)	
Domicillium citandi et executandi in RSA (full) street address) (in block letters)	
Contact Person	
Telephone Number	
Fax Number	
Cell Number	
E-mail	

**\*Failure to comply with any of the terms and conditions as set out above will invalidate the tender.**

## 7. EVALUATION CRITERIA

**Phase 1** - Tenders shall be evaluated in terms of the following parameters and shall be scored on the weightings stated next to the parameters. Tenders should score a minimum of **70 points on Technical** to qualify for the next phase.

Technical	100
<ul style="list-style-type: none"> <li>• Knowledge of the Public Sector Development Finance Institution (DFI) environment and the mandate of the NEF.</li> <li>• Registrations and regulation of the asset manager</li> <li>• Asset manager's total assets under management</li> <li>• Performance history of the funds under management</li> <li>• Proof of strong sales force team with demonstrated relationship within the domestic financial services industry.</li> <li>• Capability and knowledge of staff to be used for the management of NEF funds (qualifications, demonstrated skills and experience).</li> <li>• Demonstrated track record in the performance of its money market portfolio</li> <li>• Any credit rating by a reputable international credit rating agency will be an advantage.</li> <li>• Ranking on domestic institutional asset manager's lead tables ( i.e. Alexander Forbes Large Manager Watch)</li> <li>• Types of clients and investors in the fund (e.g., institutional, high net worth, etc.)</li> <li>• Asset manager's risk management processes and systems</li> <li>• Demonstrated ability and willingness to adhere to investment mandate</li> <li>• Asset managers proposed client dealing and information system and interfacing with the NEF Treasury Procedures.</li> </ul>	



**Phase 2 – Price and BEE**

<b>Pricing</b>	<b>30</b>
<ul style="list-style-type: none"> <li>• Rates must be denominated in South African Rands</li> <li>• Rates must be VAT inclusive</li> <li>• Rates must clearly indicate a breakdown of fees, expenses and contingency where applicable</li> <li>• Rates must be bench marked to market</li> <li>• Rates must be scalable to quantum of funds under management</li> </ul>	
<b>BEE</b>	<b>10</b>
<ul style="list-style-type: none"> <li>• BB BEE scoring will be done in line with the Codes of Good Practice based on submitted rating certificate.</li> </ul>	

**Phase 3 – Due Diligence**

<b>Presentation/Due Diligence</b>	<b>60</b>
<ul style="list-style-type: none"> <li>• Site Visits</li> <li>• Technical Presentation</li> <li>• Systems Evaluation</li> </ul>	

**\*90/10 Preferential Procurement Principle**

**SECTION: 2**  
**TERMS OF REFERENCE / SCOPE OF SERVICE**

## **1. NEF Mandate**

- 1.1 Established by the National Empowerment Fund Act No 105 of 1998, the NEF is a driver and a thought-leader in promoting and facilitating Black economic participation through the provision of financial and non-financial support to Black empowered businesses, as well as by promoting a culture of savings and investment among Black People

## **2. Key Strategic Objectives**

- 2.1 Promote and support business ventures pioneered and run by Black people;
- 2.2 Promote the understanding of equity ownership among Black people;
- 2.3 Provide black people with direct and indirect opportunities to acquire share interests in State Owned and private business enterprises;
- 2.4 Encourage and promote investments, savings and meaningful economic participation among Black people.

## **3. Scope of the Services**

### **3.1 Purpose**

The purpose of the Asset Management Services Tender is to source a financial institution with a sound knowledge of the provision of portfolio management services and products to institutional investors to assist NEF's Treasury Operations unit to execute its investment strategy.

### **3.2 Objectives**

For eligibility to participate in the submission of the tender, interested parties shall be required to submit their credentials which shall be used to vet and shortlist companies that can participate in the tender. The accreditation criteria shall be based on the following;

- Demonstrated track record in managing funds from institutional investors
- Demonstrated track record in managing money market investments
- Demonstrated consistent and exceptional investment performance
- Demonstrated commitment to Broad-Base Black Economic Empowerment. (B-BBEE)

#### 4 TERMS OF REFERENCE

- Knowledge of the Development Finance Institution (DFI) environment and the mandate of the NEF.
- Quality of proposal developed.
- The size, history and structure of the asset manager
- Ownership structure of the asset manager
- Registrations and regulation of the asset manager
- Asset manager's total assets under management
- Asset manager's level of investment in the Fund
- Performance history of the funds under management
- Asset manager's fee structure
- Proof of strong sales force team with demonstrated relationship within the domestic financial services industry.
- Capability and knowledge of staff to be used for the management of NEF funds (qualifications, demonstrated skills and experience).
- Demonstrated track record in the performance of its money market portfolio
- Any credit rating by a reputable international credit rating agency will be an advantage.
- Ranking on domestic institutional asset manager's lead tables ( i.e. Alexander Forbes Large Manager Watch)
- Types of clients and investors in the fund (e.g., institutional, high net worth, etc.)
- Asset manager's risk management processes
- Asset manager's accountants, lawyers and other professional advisors (including references)
- Demonstrated ability and willingness to adhere to investment mandate
- Demonstration of ability to meet the engagement terms of reference.
- Asset managers proposed client dealing and information system and interfacing with the NEF Treasury Procedures.

**SECTION: 3****PRICING**

**(A separate envelope for pricing must be submitted stating all pricing information including fees for various levels of funds under management)**

<b>Funds Under Management</b>	<b>Applicable Fees/Rates</b>
R 150 Million	
R 250 Million	
R 350 Million	
R 500 Million	

## **SECTION: 4**

### **BLACK ECONOMIC EMPOWERMENT**

## BBBEE Supplier Assessment Form

Trading name of entity \_\_\_\_\_

Contact person \_\_\_\_\_

Physical Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contact telephone number \_\_\_\_\_

Fax number \_\_\_\_\_

Cell phone \_\_\_\_\_

Email address \_\_\_\_\_

Percentage black shareholding (where applicable) \_\_\_\_\_

Percentage black women shareholding \_\_\_\_\_

Percentage white women shareholding \_\_\_\_\_

Do you fall within a gazetted industry charter? \_\_\_\_\_

Are you a Qualifying Small Enterprise?  
(Annual turnover between R5 million and R35 million) \_\_\_\_\_

Are you an Exempt Micro Enterprise?  
(Annual turnover less than R5 million) \_\_\_\_\_

**If you are in possession of a BBBEE rating or scorecard, please attach the certificate.**

I, the undersigned, certify that the information contained in this document is accurate and correct. I am fully responsible for any misrepresentation in this document and am aware of the repercussions that may arise as a result of such a misrepresentation.

Name: \_\_\_\_\_ ID Number/Passport Number: \_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Position: \_\_\_\_\_

### **LIST OF TENDER RETURNABLES**

- Original valid Tax Clearance Certificate
- Declaration of Interest form
- Declaration of tenderer's past supply chain management practices
- BEE rating certificate by accredited rating agency
- Completed and signed tender document
- A copy/ies of any professional bodies that you are affiliated to
- The following information also needs to be provided with the tender document:
  - Names and details of Senior Management.
  - Shareholder Certificates.
  - Details of employees at an Operational Level.
  - Percentage of ownership and management by:
    1. Black People
    2. Black Women
    3. White Women

**Failure to submit the required documents will result in the proposal being non compliant and will be disqualified.**



# 1 DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p><b>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</b></p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**SBD 8**

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME).....**

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

## SBD 4

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
  - the bidder is employed by the state; and/or
  - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
  - 2.1 Full Name of bidder or his or her representative: .....
  - 2.2 Identity Number:.....
  - 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):  
.....
  - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:  
.....
  - 2.5 Tax Reference Number: .....
  - 2.6 VAT Registration Number: .....
  - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....

Name of state institution at which you or the person connected to the bidder is employed : .....

Position occupied in the state institution: .....

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

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2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

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## 4 DECLARATION

I, THE UNDERSIGNED

(NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder