



REPUBLIC OF KENYA  
THE PUBLIC SERVICE SUPERANNUATION SCHEME  
TREASURY BUILDING, HARAMBEE AVENUE

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Ref: TNT/050/2020-2021 ( )

P.O. BOX 30007 – 00100

NAIROBI

5<sup>th</sup> May, 2021

To: All Bidders

REF: TENDER FOR PROCUREMENT OF PENSIONS SCHEME CUSTODIANS FOR THE  
PUBLIC SERVICE SUPERANNUATION FUND  
TENDER NO. TNT/050/2020-2021: ADDENDUM I

The National Treasury has issued the following addendum for the Tender for Procurement of Pensions Scheme Custodians for The Public Service Superannuation Fund following a virtual pre - bid meeting held on Monday 3<sup>rd</sup> May, 2021 at 10.00 a.m.

S/No	Request	Clarification
1.	Tender submission date to be confirmed in the event 14 <sup>th</sup> May is declared a Public Holiday.	The Public Service Superannuation Fund shall advise accordingly
2.	Section II TDS – clarification of ITT 13.1 (j) on page 29 of 121)- clarification on Kenya Banker's Certificate and licenses issued by CBK and RBA which remain valid unless revoked by the issuing authority	The bidders are to attach the perpetual Kenya Banker's Certificate and licenses issued by CBK and RBA as indicated in the tender document with a downloaded evidence of annual license and certificate renewal
3.	Section II TDS – clarification of ITT 35.4 (on page 31 of 121)- clarification on whether the requirement should read SHALL BE ALLOWED or SHALL NOT BE ALLOWED	Section II TDS ITT 35.4 to read:  Tenderer shall <b>not be</b> allowed to quote separate prices for the same lot and the methodology to determine the lowest tenderer is specified in Section II: Evaluation and Qualification Criteria
4.	Section II TDS – clarification of ITT 43.1 ( on page 31 of 121)- Clarification on whether the Interest is to be earned by	Section II TDS ITT 43.1 to read:  Each Financial Institutions will be

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	the National Treasury or PSSS	allocated a portfolio to be the Custodians for the Public Service Superannuation Fund based on the scores and the percentages on bank charges and interest to be earned by the The Public Service Superannuation Scheme as indicated in the Priced Activity Schedules under Section VI page 77 of the Tender Document.
5.	Section III Evaluation and Qualification Criteria (3) (B) (7) (iv) (on page 34 of 121)– clarification on the draft custody agreement	Tenderers to submit a sample copy of client custody agreement.
6.	<p>Section III Evaluation and Qualification Criteria (3) (D) (10) (on page 35 of 121)– clarification on the credit worthiness confirmation letter</p> <p>S/No 10, page 35: Evidence of credit worthiness; Attach confirmation letter</p> <p>Please provide more clarity on how this is to be done for banking institutions, this should be more than a letter.</p> <p>One way of evaluating a bank's creditworthiness is verifying the bank's capital adequacy by measuring the Common Equity Tier1 ratio, which compares the Tier1 (= Total equity - Revaluation reserves) to the risk-weighted assets. The ratio is shown on the balance sheet/annual accounts.</p>	Tenderer to provide a write up on their credit worthiness. See FORM FIN-3.3 on page 68
7.	Section VI- Description of Services- The specifications and priced activity schedules- on pages 77, 79, and 80- Provide for Excise Duty Taxes which are applicable	The quoted fees are expected to be inclusive of all taxes.
8.	Section VI- Description of Services- Financial Charges and Interest earned- on pages 78, 80, and 81- Clarify whether the Percentage of Safekeeping Fees /Custody Charges differs from information to be provided as per pages 77, 79, and 80.	See the attached Priced Activity Schedules
9.	Kindly provide a summary of all the	See Section III – Evaluation And



S/No	Request	Clarification
	mandatory tendering forms applicable to this particular RFP and can the forms be provided in MS WORD format to the tenderers?	Qualification Criteria – 2 Evaluation and contract award Criteria - Preliminary examination for Determination of Responsiveness
10.	Kindly provide the contact person, office location and time for sign off of the Pre-Bid Conference attendance form.	Head, Supply Chain Management Services, The National Treasury, Harambee Avenue, Treasury Building, 6 <sup>th</sup> Floor, Room 619.
11.	<b>Q1: Certified copy of a valid certificate as a member of Kenya Bankers Association (page S/No 7 page 29 &amp; S/No 11 page 32):</b> Can this be changed to confirmation from the Kenya Bankers Association?	Yes
12.	<b>Q2: A copy of sample client and Government agreement, section 7 (iv) on page 34:</b> Can this change to a copy of a sample client custody agreement?	Tenderers to submit a sample copy of client custody agreement.
13.	<b>Q3: Lead Custodian, section C - 8 (page 34):</b> Please clarify the requirements for the Lead custodian (parts 'a' and 'b'). Ideally, it should be <b>either/or</b> to avoid ambiguity and make it clear. <i>The main objective is to have a custody professional with reasonable qualifications and industry experience which can be satisfied with the proposal below.</i>  <i>Part 'c' below can remain as it is:</i> <i>c). Training such as Chartered Institute for Securities &amp; Investment (CISI) (attach certificate)</i>  Can you please consider the proposal below?  <b>Proposal for this part to be re-phrased to read:</b>  <b>Lead custodian is to have (page 34):</b> <b>a). A bachelor's degree from a recognized university in Economics or Finance <i>or</i> Banking <i>or</i> any other related areas (attach certificate) – 2 marks</b>	The Evaluation Criteria to remain as indicated on Pages 33 – 35 of the Tender Document.

S/No	Request	Clarification
	<p>and <i>either</i>:</p> <p>A master's degree from a recognized university in Economics <i>or</i> Actuarial Science <i>or</i> Finance <i>or</i> Banking <i>or</i> any other related areas (attach certificate)</p> <p><i>Or</i></p> <p>A Post Professional Qualification in accounting <i>or</i> investment <i>and/or</i> legal fields (attach certificate) [2 marks, for <i>either qualification</i>]</p> <p>b). Training such as Chartered Institute for Securities &amp; Investment (CISI) (attach certificate) - 2 marks</p> <p><i>Note: The total marks for this section remain the original allocated of 6.</i></p> <p><b>For Other Key Personnel (proposing minor changes and consolidations as worded below):</b></p> <p><b>Pensions custodian is to have (page 34):</b></p> <p>a. A bachelor's degree from a recognized university in Economics or Finance or Banking <i>or</i> any other related areas (attach certificate) – 2 marks</p> <p>b. A Post Professional Qualification in accounting <i>or</i> investment <i>and/or</i> legal fields (attach certificate) <i>and or</i> Training such as Chartered Institute for Securities &amp; Investment (CISI) (attach certificate) – 2 marks</p> <p>c. Experience of 5 years a custodian of a retirement scheme – 1 mark</p> <p><b>Client servicing manager is to have (page 34):</b></p> <p>a. A bachelor's degree from a recognized university in Economics,</p>	



S/No	Request	Clarification
	<p>Finance, Banking or any other related areas (attach certificate) – 2 marks</p> <p>b. A Post Professional Qualification in accounting <i>or</i> investment <i>and/or</i> legal fields (attach certificate) <i>and or</i> Training such as Chartered Institute for Securities &amp; Investment (CISI) (attach certificate) – 2 marks</p> <p>c. Experience of 5 years a custodian of a retirement scheme – 1 mark</p> <p><b>Legal expert is to have (page 34):</b></p> <p>a. A bachelor's degree from a recognized university in law or any other related areas (attach certificate) – 2marks</p> <p>b. A Post Professional Qualification in the legal field (attach certificate) <i>and or</i> Training such as Chartered Institute for Securities &amp; Investment (CISI) (attach certificate) – 2 marks</p> <p>c. At least 5 years' experience in handling /dealing with legal matters for a custodian of a retirement scheme – 1 mark</p>	
14.	<p>S/No 11, page 35:</p> <p>The Service Provider should be financially stable with a minimum operational capital of at least Kshs. 5,000,000.00 Provide current bank statements or proof of financial stability.</p> <p>Please consider changing from 'bank statements' to 'audited annual reports' and possibly ask for capital adequacy ratio?</p>	Tenderers to attach audited accounts and fill Financial Situation and Performance form on page 65 of the tender Document
15.	<p>S/No 12, page 35:</p> <p>Please provide more clarify for this part: Profitability - Net Profit Margin = (Net Income / Revenue) X 100</p>	Computation will be done on Net Profit Margin
16.	<p>Pages 63 &amp; 64:</p> <p>Historical Contract Non-Performance, Pending Litigation and Litigation History</p> <p>Please confirm if this form is applicable</p>	Yes. They are applicable

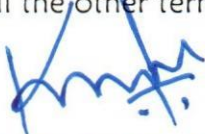
S/No	Request	Clarification
	to Custodians.	
17.	Page 65: Financial Situation and Performance Please confirm if this form is applicable to Custodians	Yes for computation and analysis of financial information.
18.	Page 66: Source of Finance Please confirm if this form is applicable to Custodians.	Yes for computation and analysis of financial information.
19.	Page 67: Average Annual Construction Turnover Please confirm if this form is applicable to Custodians.	Yes, for computation and analysis of financial information.  To read: Average Annual Turnover
20.	Page 68: Financial Resources Please confirm if this form is applicable to Custodians.	Yes, to confirm creditworthiness
21.	Page 69: Current Contract Commitments / Works in Progress Please confirm if this form is applicable to Custodians	Yes, to provide the current experience of the firm on offering custodian services
22.	Page 70: General Construction Experience Please confirm that this form is not applicable to Custodians	Yes, to provide the general experience of the firm in the Pensions Industry
23.	Page 71: Specific Construction and Contract Management Experience Please confirm that this form is not applicable to Custodians.	Yes, to provide the management experience of the firm in the Pensions Industry
24.	Pages 72 & 73: Construction Experience in Key Activities Please confirm that this form is not applicable to Custodians.	Yes, to provide the experience of key staffs of the firm in the Pensions Industry
25.	Page 74: Schedule of forms Please provide more clarity on this.	Schedule of forms – NOT APPLICABLE
26.	Pages 77 to 81:  The Specifications and Priced Activity Schedules  Please provide more clarity on this:  <ul style="list-style-type: none"> <li>Custody fees include Excise Duty &amp; VAT (please note that VAT is</li> </ul>	         The quoted fees are expected to be



S/No	Request	Clarification
	<p>charged after Excise Duty has been applied)</p> <ul style="list-style-type: none"> <li>• Custody fees is charged as a percentage of assets held under custody (or basis points), for ease of comparisons, it may be helpful to make the forms much simpler and perhaps consolidate the two forms for each category/lot – the Specifications and Priced Activity Schedules &amp; Financial Charges and Interest Earned schedules</li> <li>• Please provide the indicative / estimated or projected values of the Scheme Funds for each lot/category for each year (year 1 to year 3) to enable custodians to use the 'same base' / assets values for the quotations and for ease pf comparisons</li> </ul>	<p>inclusive of all taxes.</p> <p>The custodian fee shall be charged per lot as indicated in the price schedule below.</p> <p>See page 75 of the tender document.</p>
27.	<p>Pages 16 &amp; 33:</p> <p>Section 19.3 – Page 16: All Tenderers shall provide in Section IV, Tendering Forms, a preliminary description of the proposed methodology, work plan and schedule.</p> <p>Section 5 - Provide a detailed and comprehensive work plan and methodology incorporating all the activities to be undertaken as per the Terms of Reference</p> <p>However, page 84 indicates that work plan is not applicable - lease clarify.</p> <p>Please also clarify for Method statement on page 83 &amp; 85</p>	NOT APPLICABLE
28.	<p>Interest earned (pages 78, 80 &amp; 81):</p> <p>Please clarify this, interest rates keep fluctuating (for example the overnight rates change daily) and hence very difficult to give a fixed rate.</p>	Tenderers shall provide interest rates that they will offer the The Public Service Superannuation Scheme over and above the prevailing overnight lending rates.
29.	Can the Tenderers quote a price and let The Public Service Superannuation Scheme to allocate the lots to the three	Tenderers shall quote for all the lots as indicated in the price schedule below.

S/No	Request	Clarification
	bidders who have qualified.	
30.	3.0 Expected Output page 76 the following are the same  i) Quarterly custodian reports  iv) Quarterly financial management reports	Delete  iv) Quarterly financial management reports

All the other terms and conditions remain the same.



HEAD, SUPPLY CHAIN MANAGEMENT SERVICES  
FOR: Ag. CHIEF EXECUTIVE OFFICER / THE PUBLIC SERVICE SUPERANNUATION  
SCHEME



## SECTION VI – DESCRIPTION OF SERVICES

### PROCUREMENT OF PENSIONS SCHEME CUSTODIANS FOR THE PUBLIC SERVICE SUPERANNUATION FUND

*Section IV – Tendering Forms*

#### The Specifications and Priced Activity Schedules

##### Lot I: Civil Servants

Date: _____, ITT No: _____, Alternative No: _____, Page No _____ of _____						
1	2	3	4	5	6	7
s/No	Description	Frequency		Amount Fees Inclusive of all taxes (KES)		
	Procurement of Pensions Scheme Custodians for the Public Service Superannuation Fund	Annual Fee for Year 1 *				
		Annual Fee for Year 2 *				
		Annual Fee for Year 3 *				
Grand Total Cost (To be carried to the Form of Tender- KES)						

\*The quoted fees are expected to be inclusive of all the services related to the custodial responsibilities enumerated in the ToR

FINANCIAL CHARGES AND INTEREST EARNED

FREQUENCY	Amount (%tage) inclusive of all taxes
Any Other Charges (Explain)	
Bank interest to be earned by the PSSS on running balances	

Name of Tenderer .....[insert complete name of Tenderer] Signature of Tenderer [signature of person signing the Tender] Date [insert date]



# The Specifications and Priced Activity Schedules

## Lot II: Teachers

Date: _____, ITT No: _____, Alternative No: _____, Page No _____ of _____						
1	2	3	4	5	6	7
s/No	Description	Frequency		Amount Fees Inclusive of all taxes (Kes)		
	Procurement of Pensions Scheme Custodians for the Public Service Superannuation Fund	Annual Fee for Year 1 *				
		Annual Fee for Year 2 *				
		Annual Fee for Year 3 *				
Grand Total Cost (To be carried to the Form of Tender- KES)						

\*The quoted fees are expected to be inclusive of all the services related to the custodial responsibilities enumerated in the ToR

FINANCIAL CHARGES AND INTEREST EARNED

FREQUENCY		Amount (%tage) inclusive of all taxes
Any Other Charges (Explain)		
Bank interest to be earned by the PSSS on running balances		

Name of Tenderer .....[insert complete name of Tenderer] Signature of Tenderer [signature of person signing the Tender] Date [insert date]

Lot III: Other Personnel

Date: _____, ITT No: _____, Alternative No: _____ Page No _____ of _____						
1	2	3	4	5	6	7
s/No	Description	Frequency		Amount Fees Inclusive of all taxes (Kes		
	Procurement of Pensions Scheme Custodians for the Public Service Superannuation Fund	Annual Fee for Year 1 *				
		Annual Fee for Year 2 *				
		Annual Fee for Year 3 *				



