

Private Security Sector Provident Fund
Request for Proposal (RFP) for Local Equity Asset Managers

SECTION A:

COMPANY INFORMATION

Date company established / registered name / company registration number FSB registration certificate

1. When was your company established?
2. What is the registered name of your company?
3. Please provide your company registration number
4. Please provide your FSB Registration Certificate
5. Please provide a copy of your Tax Clearance Certificate

Company structure / profile / servicing reach/ human capital

6. Please provide an organogram of your shareholding structure with specific reference to your shareholding and BEE credentials.
7. Please provide an organogram of your business service structures which should be expanded to include the actual team that will handle this account. Please provide a brief CV of each of the team members showing their industry experience and area of responsibility.
8. Please provide the number of staff members per business service. For example, Portfolio Managers; Research Analysts; Operations etc.
9. What has been your staff turnover in each of the business services over the last 2 years?
10. Where is your head office situated?
11. Do you have additional offices throughout South Africa? If so, please specify locations and staff complement per branch.
12. Where will the account be serviced from i.e. Cape Town, Gauteng; etc.

13. How do you retain key staff in each of your business services?

14. Please describe how you do succession planning in each of your business services?

15. Do you envisage employing additional staff if your bid for this account is successful?

16. How do you ensure continuity of knowledge of clients' funds over a period of time, given that staff may leave your company and that you may attract new clients requiring re-allocation of resources?

17. Does your company provide / offer financial support / provide bursaries to staff to further their industry-related qualifications?

18. Please describe your research capability.

19. Do you publish industry related publications or newsletters?

20. Does your company have stock selection views and how are they enforced?

21. Does your company / Senior Staff actively participate and contribute on a technical level to industry forums? If so, please provide reasons for your participation? Answers should exclude sponsorships

SECTION B:

TYPE OF BUSINESS & LEGALS

Main focus area / target market / experience

22. What is your core business focus e.g. Investments, administration etc.

23. How many customers do you have in each of the business services you offer

Insurance and Indemnity

24. Please provide a copy of your latest BEE / Empowerdex / DTI / NERA Rating / scorecard / PI & Fidelity Insurance

25. What is the level of your Fidelity Insurance?

26. Are you restricted in the number of Fidelity Insurance claims you may lodge in a specific period?

27. Does your liability limitation above (if applicable), affect the cover provided?

28. Please provide a copy of your Fidelity Insurance policy schedule

29. Do you have Professional Indemnity Cover, if so, please provide a copy of your policy schedule, showing your sum assured

30. Are you restricted in the number of Professional Indemnity claims you may lodge in a specific period?
31. Do you limit your liability in respect of errors, omissions, fraud, theft or any other action that could cause damages to Fund?

Contractual / Service level agreements (SLA's)

32. What is the minimum term for your contract?
33. What is the notice period for termination of your contract?
34. Do you draw up SLA's with your various clients? If yes, please provide a sample of your SLA for the various services covered by this tender.
35. Can clients influence your SLA?
36. Do you have SLA's with IT / Administration systems support providers and vendors?

Conflicts of Interest

37. What potential conflicts exist that may affect the advice provided by the asset consultant?
38. What mitigating measures have been taken in relation to these potential conflicts?
39. Does your company have any interest in any other company or vice versa?

Reputational issues / clients lost / illegal practices/distinguishing factors / references / competitive advantage

40. Provide details (reasons and amount) of the 3 largest claims which were successfully instituted (i.e. where you had to pay financial compensation to a fund, either due to judgement or as a result of settlement) against your organisation in the last two years due fraud, dishonesty, negligence or any other error or omission that caused a client to suffer losses.
41. How many clients have you gained in each of the last two years?
42. How many clients have you lost in each of the last two years?
43. For what reasons?
44. Please provide names and contact details of 5 current clients of similar size / profile that can be contacted as references
45. Please provide details of awards / industry recognition received by your company over the past 2 years
46. In no more than 250 words, what distinguishes your company from its competitors?

SECTION C:

ASSET MANAGEMENT & HUMAN CAPITAL

Human Capital

1. Details of board of directors (Include names and qualifications)
2. Details of key staff in the following areas (Include qualifications and no of years at company and breakdown of responsibilities):

Management

Investment Team

Research Team

Portfolio management (if applicable)

Other (specify)

Investment Team

- 3a. key man risk mitigation
- 3b. Staff development
4. Remuneration structure of staff

Investment Process

- 5.a. Describe your investment philosophy
- 5.b. Describe your stock selection process
6. Describe your asset monitoring methods, tools and systems
7. Describe 5 useful measures you use for ESG and how these are integrated into your investment process

Client Demographics

11. Is there any minimum asset size or minimum fee?
12. What are the total assets under management?
13. Nature of existing institutional clients – number of clients, asset size of largest client, asset size of smallest client

Fees

14. How are fees levied?
15. How and where are fees disclosed to clients?
16. Provide details of current fee scales