



## **REQUEST FOR PROPOSAL**

# **APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF A DOMESTIC MOMENTUM SMART BETA INVESTMENT SOLUTION**

**Closing Date: 01 November 2024**  
**Time: 16h00 SA Time**

## 1 REQUEST FOR PROPOSAL

EPPF invites proposals from interested service providers to submit responses to this Request for Proposal (RFP) for the:

- **Appointment of a service provider for the provision of a Momentum Smart Beta Investment Solution with a Tracking Error Limit of 1.5% - 3.0% p.a. and an outperformance of the Equity benchmark by 1.5% p.a. through an equity cycle.**

This RFP in general seeks to source the services of providers that can manage Listed Equity mandates. The mandate will have a tracking error limit of 1.5% - 3.0% p.a. and an outperformance target from 1.5% p.a. through an equity cycle, net of fees and costs. The investible universe for the portfolio will be defined by the FTSE/JSE Capped SWIX.

By submitting a response to the request for proposal (RFP) sent out by EPPF, a party automatically undertakes to be bound by and agrees to the conditions set out in this document. Parties that do not consider themselves bound by the provisions of this document should not respond to the RFP.

## 2 PURPOSE OF THE DOCUMENT

The purpose of this RFP document is to provide broad details relevant to the services required and is not intended to provide a detailed overview of every action required.

## 3 OVERVIEW

The EPPF is a self-administered Defined Benefit (DB) pension fund, regulated by the Financial Sector Conduct Authority ("FSCA"). The principal employer participating in the Fund is Eskom Holdings SOC Ltd, its subsidiaries and related companies. The Fund provides retirement, withdrawal, death, and ill-health benefits to its members, pensioners and their dependants.

The EPPF's core business activities are Pension Administration and Investment Management. The core functions are supported by the Finance, Governance & Assurance, Office of the CE, Human Capital, and Information Technology Departments. The EPPF has assets under management of approximately **R203** billion and membership composition is

approximately **40 000** pensioners and beneficiaries, **38 000** in service members as of **30 June 2024**.

The EPPF's vision is to become the most admired pension fund by its peers and members, and its mission is to be a member-centric pension fund. The Fund's strategic objectives, which would enable it to fulfil its mission, are defined under five (5) pillars, representing critical strategic focus areas as noted below.



Accordingly, the successful service providers will need to keep this in mind in carrying out their services to the Fund.

## 4 RFP RESPONSE GUIDELINES

### 4.1 Point of contact

This RFP is issued on an open tender notice format with a definite closing date and time.

Respondents are required to submit their responses in expansive detail and on time to qualify for consideration of their responses.

During the open response time, the central point for all queries relevant to the provision of background information and points of clarity relevant to this RFP, will be managed through a central mailbox. In the interest of all parties concerned all queries must be submitted **in writing only** and responses to queries or points of clarity will be published in the "Tenders" section of EPPF's website ([www.eppf.co.za](http://www.eppf.co.za)).

The electronic mail address for queries is [ProcurementOffice@eppf.co.za](mailto:ProcurementOffice@eppf.co.za). No telephonic or verbal queries will be entertained.

After the distribution of this RFP, a briefing session will be conducted with all potential respondents to provide further information and address questions relevant to the RFP.

A non-compulsory briefing session is scheduled for **10:00 on Wednesday 16 October 2024** via Microsoft Teams. Interested participants to send their email addresses to ProcurementOffice@eppf.co.za by **Monday, 14 October 2024 before 12h00**. A request with the Microsoft Teams meeting information will then be forwarded to the email addresses provided. Attendance is limited to two (2) persons per company or Service Provider. Email Subject for all communication relating to this RFP is for provision of a **momentum Smart Beta Investment Solution**

Respondents must not contact any of EPPF's Board members, executives, consultants, or staff members to discuss matters related to this RFP or the RFP process. Discussion of this RFP with any person within or associated with EPPF other than the designated contact email as above will result in the disqualification of that respondent from the process.

#### **4.2 RFP process and submission procedure**

EPPF will review proposals at its discretion against a set of pre-defined criteria and will rate each proposal on its ability to satisfy the requirements stated in this RFP.

In the event that a preferred supplier is selected, such service provider will be formally notified. A formal Agreement will be entered into between EPPF and the successful service provider detailing issues such as the scope of work, remuneration structure and validity of the term of the contract.

Potential service providers are requested to be mindful of the time allowed for responses, the closing date and time, the delivery address for proposals and must note that late or incomplete submissions will not be considered.

The RFP must be submitted with the necessary supporting detail and must at least provide the information requested in this RFP.

EPPF reserves the right to consider any proposal in its entirety or partially and may appoint more than one service provider or no service provider at all. EPPF's decision is final, and no correspondence will be entered into.

#### **4.3 Submission Date, Time and Address**

The closing date for submission of proposals at the delivery address indicated below is **Friday, 01 November 2024, 16h00 South African time.**

RFPs must be submitted electronically to [ProcurementOffice@eppf.co.za](mailto:ProcurementOffice@eppf.co.za).

All proposals must reach the allocated email address on or before the closing time. It remains the responsibility of the respondents to ensure that their proposals reach EPPF before the closing date and time.

Respondents are allowed to send large files via WeTransfer ONLY and must ensure that the hyperlinks provided are fully functional. All documents must be provided in Adobe PDF. Proposals may not be faxed, or hand delivered, and proposals received by any other means other than the designated email address, will not be considered and will be rendered invalid.

#### **4.4 RFP Timelines**

The timelines for the RFP process are as follows:

<b>Activity</b>	<b>Due Date</b>
Briefing Session	16 October 2024,10h00am
Deadline for clarification questions	23 October 2024 16h00pm
Final response to clarification questions	28 October 2024
Closing date for submissions	01 November 2024, 16h00pm

Please note that the above timelines are indicative and that EPPF reserves the right to change these timelines. Respondents will be advised of any changes and / or notices via EPPF's website.

#### **4.5 RFP Process Requirements**

The following minimum requirements will be applied to the RFP process:

- i. Responses received after the closing date and time will be considered late and **will not** be accepted. If a response is considered late, it will be returned unread to the sender.
- ii. All responses must be submitted in full on or before the closing date and time. EPPF will not allow additions and/or amendments to any response to be submitted after the closing date and time and will not receive submissions in separate parts.
- iii. Responses may be withdrawn in writing by a respondent prior to the closing date and time.
- iv. All enquiries relevant to the RFP may only be submitted to the indicated point of contact and in writing. Telephonic and/or verbal enquiries will not be entertained.
- v. During the course of this RFP process, respondents may acquire confidential information relating to EPPF's business, projects and/or customers. Respondents are required to keep this information strictly confidential at all times (even after the RFP process has been completed) and may not use or attempt to use or allow such information to be used for personal gain or the gain of any other person or institution.
- vi. Respondents may not disclose such confidential information to any third party, but to the extent that such disclosure may be necessary for the submission of a formal proposal, must approach EPPF for prior approval to share the information with a third party. This does not apply to information which must, by law, be disclosed or becomes available to and known by the public due to no fault on the part of the respondents.
- vii. Respondents must comply with the highest ethical standards in order to promote mutual trust and an environment where business can be conducted with integrity, in a fair and reasonable manner.
- viii. Proposals submitted to EPPF must remain valid for a minimum period of 90 days from the closing date.
- ix. Respondents will be held to their proposals as submitted. EPPF reserves the right to negotiate the modification of a proposal with the successful respondent in whole or in part.
- x. Agreements reached after such modifications with the successful respondent, or parts thereof, and accepted by EPPF will form part of the contract.

- xi. Each proposal will be evaluated for general conformity to specifications and the demonstrated capabilities of respondents to execute the scope of work.
- xii. Respondents must provide curricula vitae of all key personnel they propose for execution of the scope of work, with clearly defined fields of expertise, functions and responsibilities.
- xiii. In general, respondents must indicate the experience and field/s of expertise of their companies and must specifically demonstrate their experience in similar assignments and an understanding of the services required.
- xiv. Respondents are responsible for any and all costs and liabilities incurred in responding to this RFP. EPPF will not be responsible for any costs whatsoever or howsoever arising.
- xv. EPPF reserves the right to withdraw this RFP for any reason and at any time without incurring any cost or liability.
- xvi. EPPF reserves the right to withdraw, at any stage of this process, amend or cancel this RFP, reject or not accept any or all proposals, obtain any information from any lawful source regarding past business history and practices of the respondent, and to take any such information into consideration in the evaluation process.
- xvii. EPPF does not have to explain acceptance or rejection of any specific service provider and EPPF's decision is final and binding, no correspondence will be entered into.

#### **4.6 Compliance requirement: structure of responses**

The structure of proposals is as follows:

- 4.6.1** Proposals must be electronically generated and signed by the individual(s) legally authorised to bind the respondent. The electronic copies of the RFP proposal and/or examples of work must be provided in Adobe Reader Portable Document Format (PDF), free of any viruses or malicious ware.
- 4.6.2** Legibility, clarity and completeness are essential.
- 4.6.3** Responses must be prepared as simply as possible, providing a straightforward, concise description of the interested parties and the capabilities available to satisfy the requirements of the RFP.
- 4.6.4** The RFP response must be presented in the following format:

Section	Title
1	Executive Summary of Proposal
2	Company background and track record
3.	Proposed team members for the project and their credentials
4	Proposed services
5	Key Deliverables
6	Pricing Structure
7	References (three references to be included)
8	B-BBEE
9	Supporting documentation

**4.6.5 Failure to comply with paragraphs 4.6.1 to 4.6.4 will result in the relevant response being disqualified.**

#### **4.7 Evaluation Criteria**

Respondents will be evaluated according to the extent to which they are able to fulfil the requirements of EPPF. Evaluation criteria will place emphasis on the following areas:

##### **Stage 1:**

- BBBEE: 20%
- Pricing: 20%
- Functional Ability: 55%
- Data Privacy - POPIA Compliance: 5%

## Stage 2 (Shortlisted Bidders)

Solution Demonstration, Presentation and Due diligence: 100%

Respondents must demonstrate their expertise and experience in providing the services required.

- Respondents must confirm their ability to provide the services required to EPPF.
- The number of years' experience and involvement in building and providing smart beta investment services. Describe your organisation's experience generally with provision of smart beta investment solutions in South Africa.
- Provide at least 3 relevant references (client, contact person, telephone, e-mail and scope of work and duration of association).
- Provide details of company resources, e.g. number of staff and infrastructure.
- Provide details of third-party service providers that may be used by you in providing the services, if any, e.g. capacity and experience.

Respondents must also provide supporting documentation relevant to issues such as the ownership of the business including black female ownership, management structure and B-BBEE credentials (Minimum of Level 3 required) in the format indicated in this RFP document.

**Evaluation criteria will place emphasis on the following areas:**

### 4.7.1 Functional Ability

Service providers must submit a **capability statement** confirming that they are able to meet all the deliverables below:

- **Track Record**
  - Respondents must demonstrate their capability and experience in building and managing smart beta investment solutions in South Africa on behalf of institutional investors.

- Respondents must demonstrate their ability to build smart beta investment solutions that can meet EPPF's performance objectives.
  - Respondents must clearly provide the relevant, actual track record of building and managing a Momentum smart beta investment solution that can outperform a specific equity benchmark net of fees. Backdated and simulated returns should not be included.
  - A minimum of five (5) years' demonstrated experience of successful Momentum smart beta management and execution.
- **Investment Management Team**
    - Respondents must have an investment team with appropriate and relevant experience as well as academic qualifications.
- **Investment philosophy and process**
    - Respondents will be required to articulate an investment philosophy that is sound and pragmatic and repeatable within the South African context.
    - Respondents will be required to articulate how they define their investment universe and what fundamental and/ or quantitative metrics are used to define Momentum.
    - Respondents must demonstrate how they incorporate risk management in their investment process.
    - Respondents must provide the depth and breadth of their research resources.
    - Provide a detailed description of the systems and tools that they use.
    - Size of smart beta portfolios/ products that they manage.
  - Respondents (legal entity) must provide supporting documentation to indicate the period of time they have been in operation and services they have provided (including at least three contactable client references).

- Respondents must be well established entities and must be able to demonstrate their experience in assisting institutional clients to achieve the desired investment objectives.
- Respondents are required to demonstrate their internal control and oversight systems to ensure that their administration function is free from errors.
- Respondents are required to describe their operational risk management process.
- **Company Details & Stability**
  - How long has the business been in operation?
  - What is the scope and nature of the business, paying particular attention to core activities and highlighting areas where it lacks or outsources expertise?
  - What is the company's registration and FSP number?
  - Provide details of the company structure and key personnel to be allocated directly and indirectly to the management of this particular mandate.
  - Provide details of commercial relationships where a consortium/joint venture/partnership is offered, as follows:
    - The entity that will be the guarantor of contract performance;
    - The date of joint venture formation, if applicable;
    - The name of the lead / prime contractor; and
    - A statement regarding the nature of the agreement between the joint venture partners, the proposed percentage of division of work and profit

#### **4.7.2 Fee Structure (Pricing)**

The fee and costs schedule must be complete and must indicate the following scenarios/options:

- Flat fees
- Base and/or performance fee

- Sliding scale
- Any other fees or costs to be borne by the Fund that may be applicable

The fee structure must be quoted in basis points. All fees quoted **must be inclusive of VAT.**

Proposals must be valid for at least 90 days from the closing date of the RFP. If prices are subject to exchange rate fluctuations, respondents must indicate the assumed rates and conditions pertaining to exchange rate fluctuations.

All prices must be disclosed comprehensively.

#### **4.7.3 B-BBEE**

EPPF is committed to advancing the objectives of B-BBEE and details of the service provider's B-BBEE credentials, supported by a copy of a rating certificate from a South African National Accreditation System (SANAS) accredited rating institution or an affidavit wherever applicable, with details of the relevant company profile must be provided. As a minimum, specific reference must be made to:

- Ownership structure and shareholding;
- Board representation;
- Executive / Operational Management structure;
- Representation of Black people and women in the investment team,
- Secondary B-BBEE initiatives, such as procurement from B-BBEE suppliers and other initiatives.

These details must be clearly stated in the order requested and with the headings as above.

#### **4.8 References**

EPPF will require references from established companies where the respondents provided similar services. EPPF therefore requires information regarding contactable clients. Respondents must include references from at least three clients in South Africa where they are providing **Smart Beta Investment Solutions** in the following format:

- Client name.
- Contact details (telephone and email address).
- Client representative.

- Service description (scope of services delivered and total contract value thereof).
- Contract start and end date.

When providing information regarding references it is accepted that the respondent has cleared with the referee that the client can be contacted directly by EPPF or its consultants.

## 5 RFP SPECIFICATIONS

### 5.1 Purpose

EPPF seeks to contract with a suitable qualified service provider for implementation of a **Momentum Smart Beta Investment Solution**.

The following minimum requirements will be applied to the RFP process:

- i. Responses received after the closing date and time will be considered late and **will not** be accepted. If a response is considered late, it will be returned unopened to the return address of the relevant respondent identified on the response envelope.
- ii. In the absence of a clear return address on the envelope, any late response or any additional documentation/items will be destroyed by the Fund.
- iii. All responses must be submitted in full and complete on or before the closing time. EPPF will not allow additions and/or amendments to any response to be submitted after the closing date.
- iv. Responses may be withdrawn in writing by a respondent prior to the closing date and time.
- v. All enquiries relevant to the RFP may only be submitted to the indicated point of contact and in writing. Telephonic and/or verbal enquiries will not be entertained. Any attempt to circumvent this required may lead to disqualification from the tender process.
- vi. During the course of this RFP process, respondents may acquire confidential information relating to the Fund's business, projects and/or customers. Respondents are required to keep this information strictly confidential at all times (even after the RFP process has been completed) and may not use or attempt to use or allow such information to be used for personal gain or the gain of any other person or institution.
- vii. Respondents may not disclose any such confidential information to any third party, but to the extent that such disclosure may be necessary for the submission of a formal proposal, must approach EPPF for prior approval to share any information with any third party. This does not apply to information which must be legally disclosed or becomes available to and known by the public.
- viii. Respondents must comply with the highest ethical standards in order to promote mutual trust and an environment where business can be conducted with integrity, in a fair and reasonable manner.

- ix. Respondents must, on the official letterhead of the company submitting the response, declare that:
  - a. the information provided in all documentation is true and correct; and
  - b. the signatory of the tender document is duly authorised to do so by means of a special or general resolution of the company responding.
- x. Proposals submitted to EPPF must remain valid for a minimum period of 90 days from the closing date.
- xi. Respondents will be held to their proposals submitted. EPPF reserves the right to negotiate the modification of a proposal with the successful respondent in whole or in part.
- xii. Agreements reached after such modifications with the successful respondent, or parts thereof, and accepted by EPPF will form part of the contract.
- xiii. Each proposal will be evaluated for general conformity to specifications and the demonstrated capabilities of respondents to execute the scope of work.
- xiv. Respondents must provide curricula vitae of all key personnel they propose for execution of the scope of work, with clearly defined fields of expertise, functions and responsibilities.
- xv. In general respondents must indicate the experience and field/s of expertise of their companies and must specifically indicate previous work done in the retirement fund industry, if any.
- xvi. Respondents are responsible for any and all costs and liabilities incurred in responding to this RFP. EPPF will not be responsible for any costs whatsoever or howsoever arising.
- xvii. EPPF reserves the right to withdraw this RFP for any reason and at any time without incurring any cost or liability.
- xviii. EPPF reserves the right to withdraw, at any stage of this process, amend or cancel this RFP, reject or not accept any or all proposals, obtain any information from any lawful source regarding past business history and practices of the respondent, and to take any such information into consideration in the evaluation process.
- xix. EPPF does not have to explain acceptance or rejection of any specific service provider and the Fund's decision is final and binding, no correspondence will be entered into.

## **6 REQUIRED SUBMISSIONS**

### **6.1 Declaration**

Respondents must, on the official letterhead of the company submitting the response, declare that:

- a. the information provided in all documentation is true and correct;
- b. the signatory of the tender document is duly authorised to do so by means of their role in the company, a special or general resolution of the company responding; and
- c. undertake that all information gained from EPPF through this RFP document or from any other interaction relevant to this RFP, will remain confidential.

### **6.2 Company details and stability**

Please provide a response to each of the following questions:

- a. How long the company has been in operation within its current specific environment of providing Network infrastructure services and solution.
- b. The nature of the business, paying particular attention to core activities.
- c. The company's summarised value proposition to its clients.
- d. The company's registration number and supporting registration documents.
- e. The company's overall organisational structure and key resources within this structure that will be dedicated to EPPF.
- f. If the response to the RFP is made as part of a joint venture with another business entity, details of the commercial relationships between the parties making up the consortium / joint venture / partnership. In addition, provide the following information:
  - Copy of the Joint Venture Agreement
  - Entity(ies) that will be guaranteeing contract performance;
  - Date of Joint Venture formation, if applicable;
  - The name of the lead / primary contractor; and
  - Details regarding the nature of the agreement between the Joint Venture Partners including the proposed percentage division of work between the constituent members. Each party to the joint venture, if that party is a subsidiary company, is required to give details of the extent to which the holding company and related subsidiaries and associates are prepared to provide guarantees.

- The B-BBEE rating will be the average of the companies' individual ratings, weighted according to their proportionate share in the Joint Venture.

### **6.3 Local Presence and Experience**

- i. Provide details of the head office location.
- ii. If the head office location is not in South Africa, also provide details of local company offices, support and visibility.
- iii. Provide the year of establishment of the South African business and the number of employees currently employed.
- iv. Provide instances of the company's experience in providing Network Infrastructure Services and Solutions
- v. Provide evidence of the company's experience in engaging with clients at executive and board level.

### **6.4 Approach**

- i. Describe how your organisation would approach this engagement, and methodologies to be adopted. Please detail the phases, activities and milestones involved.
- ii. Describe how and when the required capabilities and resources from your organisation will be deployed.
- iii. Describe the resources required from EPPF.

### **6.5 Supporting Documentation**

Respondents **must** include the following supporting documentation within their proposals:

#### **Mandatory documents;**

- A detailed statement of the company's B-BBEE credentials as required in the above, supported by a rating certificate from a SANAS accredited rating institution or a B-BBEE affidavit.
- Recent audited Financial Statement of the specific entity that will be submitting the proposal, and if successful, contracting with EPPF. Group or any other entity's Annual Financial Statements will not be accepted. Respondents who are not required by law to have audited financial statements must include a letter signed by an authorised official confirming that the respondent is not

required by law to have audited financial statements and accordingly, is unable to provide same. Failure to submit a complete set of financial statements i.e. all pages or redaction/blanking out or omission of any portion of the financial statements will render the submission incomplete and will lead to disqualification at the evaluation stage.

- Respondents must complete EPPF POPIA Self Compliance Forms (EPPF Operator Privacy Due Diligence Form and Operator Privacy Compliance Self-Assessment Form) provided on EPPF website.

In the case of a Joint Venture the above-mentioned documentation, with the exception of the B-BBEE credentials, need only be supplied for the primary entity.

**Administrative documentation.**

- Declaration (Formal letter) as per (6.1) under further required submissions.
- Certified copies of CIPC company registration documentation. In the case of respondents who are not companies as envisaged in the Companies Act of 2008, equivalent founding documents must be submitted.
- A valid Tax Clearance Certificate and/or PIN indicating good standing with the South African Revenue Services (SARS);

**Respondents will be disqualified from the RFP process if any of the details and/or mandatory documents listed in 6.6 above are not submitted.**

## **7 Appendix A – Terms of business**

### **7.1 Background**

EPPF wishes to appoint a suitable service provider to provide a **Momentum Smart Beta Investment Solution**.

By submitting a response to the RFP sent out by EPPF, a respondent automatically undertakes to be bound by, and agrees to, the conditions set out in this entire document.

Respondents that do not consider themselves bound by the provisions of this entire document should not respond to the RFP, as submission of a response pre-supposes agreement to the terms of this agreement.

### **7.2 Terms of Business**

EPPF hereby sets out the Terms of Business and the respondent hereby accepts the conditions that will apply to the work to be done by the service provider appointed in terms of the RFP detailed in this agreement.

Once signed by both parties, these Terms of Business will form part of the basis of a suitable Agreement between EPPF and the successful service provider.

An additional agreement detailing the services to be rendered will be entered into. These Terms of Business will establish the basis of such an agreement to provide the services as outlined in the RFP and will serve to explain the conditions under which the appointment of the preferred service provider is made, but may also be extended in the Agreement to include other matters not necessarily addressed in this RFP.

### **7.3 The services to be provided**

#### **7.3.1 The Services**

The service provider will provide the services described in the RFP, and at the location(s) to be set out in the Investment Management Agreement. The services described in the RFP are not an exhaustive list of all services to be performed by the successful respondent.

Where the Investment Management Agreement refers to services to be performed, this means that the service provider will provide EPPF with the Services and will be responsible for the management and control of the services and the quality of any deliverables listed in or referred to in the Investment Management Agreement.

Where the Investment Management Agreement refers to Services to assist the successful service provider this means that EPPF will use reasonable skill and care, as specified, to assist the service provider with its work, but the service provider will be responsible for the overall management and control of the Services and for the results to be achieved from using the Services.

### **7.2.2 The service provider's staff**

Where individual members of the service provider's staff (including partners and directors) are named in the Investment Management Agreement the service provider will make every reasonable effort to ensure that the named individual(s) are available to support its work for EPPF stated in the Investment Management Agreement.

Where the service provider considers changes in its named staff necessary or appropriate, for reason of, inter alia, resignation, relocation, training or illness, the service provider may make the changes after giving EPPF reasonable notice and will provide EPPF with details of replacement staff.

### **7.2.3 Contract Management**

Both parties may designate a contact person that will be responsible for managing all issues relating to the performance of the Agreement.

### **7.2.4 Deliverables**

#### **Preparation and Delivery**

EPPF will incorporate the deliverables listed or referred to in the RFP into the Investment Management Agreement to be signed with the preferred service provider.

### **7.3 Fees and Payment**

#### **7.4.1 Payment of services**

EPPF agrees to pay for the Services as set out in the Investment Management Agreement. All invoices will be payable within thirty days from date of receipt thereof.

### **7.4 Term, Suspension and Termination**

#### **7.5.1 Duration of Contract**

The Investment Management Agreement will apply from the Commencement Date stated, or where no Commencement Date is specified, from the date of signature of the Investment Management Agreement by both parties. The Investment Management Agreement will continue until all the Services and deliverables have been provided unless it is terminated earlier in accordance with the terms set out below.

#### **7.5.2 Termination of the Contract**

Unless stated otherwise in the Investment Management Agreement, the Contract may be terminated by either party at any time by giving the other party no less than 30 days written notice. EPPF however reserves the right to terminate the Investment Management Agreement by giving 24 hours written notice.

The Investment Management Agreement will automatically terminate forthwith should the service provider lose its FSP license or should the license be suspended by the FSCA.

Where the Contract is terminated in this way EPPF will pay the service provider for all Services provided and completed up to the date of termination.

#### **7.5.3 Termination for Breach of Contract**

The Investment Management Agreement may be terminated by either party by written notice with immediate effect if the other commits a material breach of any term of the Agreement that is not remedied within 10 days of dispatch of a written request to remedy the same, where such breach is capable of being remedied.

#### **7.5.4 Termination for Insolvency**

The Investment Management Agreement may be terminated by either party by written notice in the event that the other party is unable to pay its debts or has been placed under administration, judicial manager, liquidator or similar person or officer appointed

or compromises generally with its creditors or ceases for any other reason to carry on business or in the reasonable opinion of the other party any of these events appears likely.

## **8 Confidentiality and Conflicts of Interests**

**8.1** By signing the Investment Management Agreement, each party is under a professional obligation not to disclose to a third party any information confidential to the other party. Similarly, reports by the service provider are for the use of EPPF alone and may not be disclosed to third parties without EPPF's prior written consent.

**8.2** Notwithstanding 6.1 above, either party will be entitled to disclose confidential information of the other to a third party to the extent required by law or where the said information is already known to the public due to no fault on the other party, provided that in the former case (and without breaching any legal requirement), where reasonably practicable not less than five business days' notice in writing is first given to the other party.

**8.3** Respondents are required to declare any relationship (family, friend, other) between themselves and any person employed by EPPF who may be involved with the evaluation and or adjudication of this RFP. Such declarations may be included as part of the Respondent's proposal. In addition, service providers with such an interest may be required to complete EPPF's standard declaration of interest form.

## **9 Liability**

**9.1** The service provider shall use reasonable skills and care expected from an expert in its industry in the provision and delivery of the services and the deliverables in terms of the Investment Management Agreement.

**9.2** The service provider shall accept liability to pay compensation for damages and losses suffered by EPPF arising as a direct result of breach of contract, misconduct, dishonesty/fraud or negligence (including gross negligence) on its part or third parties acting on behalf of the service provider in respect of Services provided in connection with or arising out of the Investment Management Agreement (or any variation or addition thereto).

## **10 General**

### **10.1 Force Majeure**

Neither of the parties to the Investment Management Agreement will be liable to the other for any delay or failure to fulfil obligations caused by circumstances beyond its reasonable control.

### **10.2 Assignment**

Neither of the parties to the Investment Management Agreement may cede, assign, delegate, transfer, encumber, charge nor otherwise seek to deal in any of its rights or obligations under the Investment Management Agreement without the prior written consent of the other party.

### **10.3 Notices**

Notices must be served either personally, sent by prepaid registered post or faxed to the address of the other party given in the Investment Management Agreement or to any other address as the parties may have notified during the period of the agreement. Any notice sent by registered post will be deemed to have been delivered 10 days after sending. Any notice sent by fax or served personally will be deemed to have been delivered on the first working day following its dispatch.

### **10.4 Amendment**

Any amendment or consensual variation, cancellation or termination of the Investment Management Agreement, or any of its terms, will not be effective unless agreed in writing and signed by both parties.

### **10.5 Survival**

The confidentiality clause in the Investment Management Agreement shall survive the termination or expiry of the agreement and shall continue to bind the parties to the agreement.

### **10.6 Electronic Communications**

During the provision of the Services, EPPF may from time to time communicate electronically. However, as the service provider is aware, the electronic transmission of information cannot be guaranteed to be secure or error-free and

such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use.

Accordingly, whilst EPPF carries out commercially reasonable procedures to check for the most commonly known viruses and to check the integrity of data, it remains the service provider's responsibility to carry out a virus check on any documents before launching them, whether to be sent or to be received on disk or otherwise. Therefore and notwithstanding any collateral contract, warranty or representation, EPPF will have no liability to the service provider on any basis, whether in contract, delict (including negligence) or otherwise, in respect of any error or omission arising from or in connection with the electronic communication of information to or from the service provider and the service provider's reliance on such information and including (but not limited to) the acts or omissions of the relevant service providers.

If the communication relates to a matter of significance on which the service provider wishes to rely and is concerned about the possible effects of electronic transmission, the service provider should request a hard copy of such transmission from EPPF.

### **10.7 Validity of contract provisions**

If any provision of the Investment Management Agreement is held to be invalid, in whole or in part, such provision shall be deemed not to form part of the agreement. In any event the enforceability of the remainder of the agreement will not be affected.

### **10.8 Conflict**

In the event of any conflict between the Investment Management Agreement and any other document that forms part of the agreement, the Investment Management Agreement shall prevail except where amended by specific reference to the relevant Clause of the Terms of Business. In the event and only to the extent of any conflict between the Investment Management Agreement and any referenced or attached document other than the Terms of Business, the Investment Management Agreement will take precedence.

## **10.9 Applicability**

The Investment Management Agreement shall apply to work undertaken in relation to the service provider, its holding company or any of its subsidiary, associated or related companies, agents or sub-contractors providing services in terms of the agreement.

## **11 Dispute Resolution and Governing Law**

Should any dispute arise between EPPF and the service provider, both parties will attempt to resolve the dispute in good faith through senior-level negotiations. If the dispute is not resolved through negotiation or mediation within a reasonable time both parties agree that it shall be finally resolved in accordance with the rules of the Arbitration Foundation of South Africa by an arbitrator or arbitrators appointed by the Foundation and agreed upon by both parties. The arbitration clause does not prohibit a party from seeking relief in a dispute where urgency can be proved, and where, as a result, application can be made for an urgent interdict, urgent declaratory order or other urgent relief to any court of competent jurisdiction, on condition that such urgent relief is only of an interim nature pending the determination of the dispute by the arbitrator. The parties submit in this regard, to the non-exclusive jurisdiction of the Gauteng Local Division, Johannesburg.

The Terms of Business and the Investment Management Agreement shall be subject to South African law.

## **12 Quotation/Proposal Conditions Validity of Quotations**

Quotations must be valid for at least 90 days from the closing date of the tender. Include original valid tax clearance certificates, proof of registration of the business, audited annual financial statements and the latest B-BBEE certification. Preference will be given to qualifying Black asset managers and Black Female-owned asset managers

### **12.1 Disqualifying Criteria**

- Failure to submit before the specified date and time
- Failure to comply with paragraph 4.6.1 to 4.6.4 of the RFP.
- Failure to meet a minimum Level 3 B-BBEE score
- Failure to submit requested mandatory supporting documentation in 6.6.
- Failure to submit an originally certified copy of FSP

**13 VAT**

VAT must be included in all prices and costs quoted, where applicable.

**14 Closing Date for Proposal Submission**

The closing date and time for submission of proposals at the delivery address indicated is **21 October 2024 at 16h00 SA Time.**

EPPF reserves the right to withdraw, at any stage of this process, amend or cancel this RFP, reject or not accept any or all proposals, obtain any information from any lawful source regarding past business history and practices of the respondent, and to take any such information into consideration in the evaluation process.

**15 Acceptance**

By signature of this document, the service provider agrees to be bound by the terms of business contained herein.

Signed in acceptance on behalf of  
.....being duly authorised thereto.

Signed at..... on this.....day of.....2024

Name & Surname.....

Designation.....

Signature.....

## Annexure A - Disqualifying checklist

No.	Document required or requirement(s)	Submitted? Yes/No
1.	Submitted as per the closing date and time.	
2.	Compliance requirement: structure of responses	
3.	A minimum of five (5) years demonstrated experience of successful provision of smart beta investment solutions in a corporate environment or an organization of a similar size to EPPF.	
4.	Acceptance of the RFP terms and conditions – contract terms and condition shall be discussed and negotiated with the successful Bidder.	
5.	A detailed statement of the company's B-BBEE credentials as required in the above, supported by a rating certificate from a SANAS accredited rating institution or a B-BBEE affidavit.	
6.	Recent Audited Financial Statement of the specific entity that will be submitting the proposal. Group or any other entity's Annual Financial Statements will not be accepted. Respondents who are not required by law to have audited financial statements must include a letter signed by an authorised official confirming that the respondent is not required by law to have audited financial statements and accordingly, is unable to provide the same.	
7.	Respondents must complete EPPF's POPIA Self Compliance Forms (EPPF Operator Privacy Due Diligence Form and Operator Privacy Compliance Self-Assessment Form)	
8.	Declaration (Formal letter) as per (6.1) under Further required submissions	
9.	A valid Tax Clearance Certificate and/or PIN indicating good standing with the South African Revenue Services (SARS).	
10.	Certified copy of FSP License.	
10.	Certified copies of CIPC company registration documentation. In the case of respondents who are not companies as envisaged in the Companies Act of 2008, equivalent founding documents must be submitted.	

**NB - Please make use of the above checklist to ensure that all minimum requirements are met and to avoid being disqualified.**

