

Thank you for the opportunity to tender for the valuator services to the EPPF. In relation to the tender, please find below our additional questions for clarification:

1. The scope of services refers to annual valuations and triennial valuations. For the quotation, please can you confirm if the valuations are submitted annually to the FSCA, or if this is only submitted once every three years?

Valuations are submitted to the FSCA on an annual basis.

2. Under miscellaneous services (item 5.2.2 of the RFP), these refer to Actuarial services of a project nature, and then go on to include actuarial factors as one of these services. The derivation of the factors are not included in the annual fee under item 4.7.2 in the RFP. Therefore, we assume that these factors are not included in the annual fixed fee, and would be charged for on a project/hourly bases. Please confirm if this is correct?

The intention was that the annual fixed fee includes the derivation of the factors. The actuarial factors referred to in miscellaneous services are those that could be requested over and above the normal ones linked to the valuations.

3. If the factors are to be included in scope, then can you please confirm the frequency for which these factors are reviewed (e.g. annually or triennially)?

Annually/linked to every valuation.

4. There is no mention of mortality and other demographic experience analysis, please can you confirm if this is required to be included within the scope and if so the frequency of analysis?

Yes it is required to be included. Annually.

5. The following items under 5.2.2 Miscellaneous, appear to be ad hoc items and therefore we have assumed that these are outside of the scope for the annual fixed fee and will be included in the hourly charged work. Please can you confirm if this is correct?

Yes, excluded from fixed fee

- a. Benefit calculations;
 - b. Service adjustments;
 - c. Liaison with various members of the fund in relation to actuarial matters as may be required from time to time;
 - d. Actuarial services that may be required by the Fund including that of a project nature such as actuarial factors, asset liability modelling, surplus apportionment, advice on legislative or practice developments that may have an actuarial impact on the Fund; and
 - e. Any other actuarial services that may be required by the Fund from time to time as may be agreed with the Fund.
6. For references, in item 4.8 you mention that contract value should be included. As this is client sensitive information, we do not feel comfortable including the exact costs in our response. As such, would we be able to include this in categories of: Less than R250 000, R250 000 to R500 000, and greater than R500 000?

Respondents can indicate contractual values as follows: R500 000 – R1000 000, R1000 000 – R3000 000, greater than R3m

The second fixed fee (section 4.7.2 in the RFP) is for quarterly recommendations on monthly interest rates.

- How many members have fund credits under this arrangement? 34,573
- What is the total of the balances at latest date possible? R 6,109,157,052.97
- Are the assets ringfenced in one or more portfolios? Assets are not ringfenced.
There is one portfolio for the whole fund