



CLARIFICATION / ADDENDUM "SET 2"

19th October, 2021.

To all Prospective bidders,

REF: TENDER NO.KRA/HQS/NCB -007 /2021 - 2022 – PROVISION OF
CUSTODY SERVICES FOR KENYA REVENUE AUTHORITY PENSION
SCHEME ((KRASPS))

Kenya Revenue Authority wishes to inform prospective bidders of the clarifications /
addendum highlighted below:

Item No.	TERMS OF REFERENCE FOR CUSTODIAL SERVICES	KRA'S REQUIREMENTS	Bidder's Response
1.	<p>Background The Kenya Revenue Authority Staff Retirement Benefits Scheme was established under an irrevocable trust on 1st October, 1995 and operates on a defined contribution basis. It covers all permanent and pensionable employees. As at 1st July 2021, the Scheme had 4,984 members.</p> <p>The Trustees of the Scheme are reviewing their custodial arrangements and seek proposals from custodians for an active pension fund of approximately Kshs.24.5 Billion. The custodian will be responsible for the safekeeping of existing and future fund assets of the Scheme.</p>	<p>This is for Bidders to Note and Factor when preparing Financial Proposals.</p> <p>Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.</p>	
2.	<p>Objective of the assignment The main objective of the Custodial Services is to ensure that the assets of the Scheme are held securely and safely and that adequate records of all financial transactions are maintained independently of the Scheme</p>	<p>Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.</p>	



KENYA REVENUE AUTHORITY

ISO 9001:2015 CERTIFIED

Item No.	TERMS OF REFERENCE FOR CUSTODIAL SERVICES	KRA'S REQUIREMENTS	Bidder's Response
	Administrator, Fund Managers, Property Manager and any other Service Providers.		
3.	Scope of the work The custodian's key responsibilities are as follows:		
a)	Receiving contributions made by the employer and employees towards the Pension scheme;	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
b)	Safekeeping of all the Scheme assets including cash, securities, title documents and deeds;	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
c)	Processing the settlement of all transactions in accordance with the instructions received from the Fund Managers	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
d)	Providing the Trustees with statements of the assets and the cash flows;	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
e)	Undertaking all appropriate administration relating to the Scheme's assets;	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
f)	Recording, monitoring and reconciling all activities of the Fund Manager and Custodian, based on the electronic take-on of data from the parties,	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the	



KENYA REVENUE AUTHORITY

ISO 9001:2015 CERTIFIED

Item No.	TERMS OF REFERENCE FOR CUSTODIAL SERVICES	KRA'S REQUIREMENTS	Bidder's Response
	encompassing the identification and resolution of any mismatches between positions as stated by the fund manager, custodian and the audited financial statements;	Bidder's Response Column.	
g)	Dealing with corporate actions which include dividend and bonuses payments, interest payments and fixed income maturities	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
h)	Receiving and recording all dividends, interest and other income due to the Scheme	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
i)	Ensuring compliance with prevailing legislations;	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
j)	Providing the administrator with quarterly reports of the Scheme's assets and details of all transactions during the quarter;	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
k)	Providing the Fund Managers with daily Cash balances and movements, and monthly valuation reports	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	
l)	Providing details in a timely manner to the investment consultant (if so required) for performance measurement purposes.	Bidders are Required to state that they ("UNDERSTOOD AND WILL COMPLY" or "UNDERSTOOD AND WILL NOT COMPLY") on the Bidder's Response Column.	



KENYA REVENUE AUTHORITY

ISO 9001:2015 CERTIFIED

Item No.	TERMS OF REFERENCE FOR CUSTODIAL SERVICES	KRA'S REQUIREMENTS	Bidder's Response
4	Additional Mandatory Requirements. <ul style="list-style-type: none">i. Have a table of contents clearly indicating Sections and Page Numbersii. Properly paginated in the whole document, bound, numbered in the correct sequence and initialed.iii. Certificate of incorporation.	Items i, ii, and iii are additional mandatory requirements that all bidders are supposed to adhere or provide. Failure to adhere to adhere or provide the requirements will lead to disqualification of the bids at the mandatory evaluation criteria.	

Note to Prospective Bidders,

Bidders whose response will be “**UNDERSTOOD AND WILL COMPLY**” on all line items will be considered responsive on the Terms of Reference for Custodial Services requirements while bidders whose Response will be “**UNDERSTOOD AND WILL NOT COMPLY**” on any line item will be considered NON – responsive on the Terms of Reference for Custodial Services requirements.

The clarification / addendum form part of the bidding document and is binding to the bidder. All other terms and conditions of the tender remain the same. You are therefore required to immediately acknowledge the receipt of this addendum.

Regards,

Benson Kiruja

For: Deputy Commissioner - Supply Chain Management