



**Request for Proposals for Provision of Investment Management
Services to a Qualifying Investor Fund to be established by the
National Asset Management Agency**

25 January 2012

1. INTRODUCTION & BACKGROUND

The National Asset Management Agency (“**NAMA**”) was established by statutory instrument on 21 December 2009 pursuant to the National Asset Management Agency Act, 2009 (the “**Act**”). Under the Act one of the purposes of NAMA is for it or a NAMA group entity (**NAMA Group Entities**) to acquire eligible bank assets from the five participating institutions (those credit institutions which applied to and were designated by the Minister for Finance as participating institutions). The majority of assets which have been acquired are property related loans and associated security for such loans. At the end of 2011 NAMA had acquired €74 billion of such assets for a consideration of €31.8 billion.

NAMA’s statutory powers include the holding of such bank assets, the disposal of loans or portfolios of loans in the market for the best achievable price and the holding, refinancing, realising and disposing of any relevant security. NAMA has contractual enforcement rights under the applicable security documents and may invoke the statutory enforcement methods set out in the Act.

NAMA intends to establish a Qualifying Investor Fund (**QIF**) as an investment company in accordance with Part XIII of the Companies Act 1990. The QIF will be established as an umbrella scheme with segregated liability between sub-funds which will invest in property and property related assets in Ireland, the UK and Europe. The QIF will be regulated by the Central Bank of Ireland pursuant to the NU Series of Notices – Conditions Imposed in relation to Collective Investment Schemes other than UCITS (**NU**).

Subject to Central Bank approval, NAMA will act as promoter of the QIF, and while it will select the successful Tenderer and commit to ensuring its appointment, the services described below shall be provided under an investment management agreement between the QIF and the successful Tenderer (the “**Contract**”).

Further information about NAMA can be found at www.nama.ie.

2. SERVICES REQUIRED

2.1 Scope of Services

NAMA, as promoter, is seeking proposals for the provision of investment management services for the QIF (the “**Services**”). The Services are more particularly defined in Schedule 2 (**The Services**).

It is envisaged that the QIF will operate as a multi-manager platform and NAMA is seeking an investment manager at the platform level. Sub investment managers for specific Sub-Funds will be identified at a later stage.

2.2 Structure of Competition

- 2.2.1 The RFP includes the attached Schedules and all supporting and supplemental information.
- 2.2.2 This call for competition to tenderers (each a “**Tenderer**”) involves the appointment of an investment manager (“**Investment Manager**”) to provide platform level investment management services to the QIF as described in Schedule 2.
- 2.2.3 It is anticipated that one Contract will be awarded for the Services as described in Schedule 2.
- 2.2.4 The Contract, if awarded, will be awarded on the basis of the most economically advantageous tender submitted determined using the award criteria, weightings and evaluation specified in Section 9 (**Examination and Evaluation of Tenders**). The successful Tenderer will enter into a Contract subject to the pre-conditions detailed in Section 13.2 (**Pre-conditions to Award of Contract**) and subject to the requirements of the Central Bank of Ireland. The Contract will be put in place between the QIF and the successful Tenderer upon authorisation of the QIF.
- 2.2.5 The process for the eligibility and assessment of tenders is detailed hereunder.

2.3 Duration of Contract

It is anticipated that the Contract will be for a term of 7 years, subject to annual review but which may be extended for such a period as the Board of Directors of the QIF requires if it is deemed appropriate in its absolute and sole discretion. Upon the authorisation of the QIF, the contractual relationship will be between the QIF and the successful Tenderer and it will be the QIF that may have the right to terminate the contract at any time for any reason.

2.4 No Legal Obligations

Tenderers may not rely on anything contained in this RFP as a representation of fact or promise regarding the future, nor as constituting the basis of a contract that maybe concluded in relation to the Services nor be used in construing any such putative contract. No contractual relationship, implied or otherwise or any other legal obligation will arise between a Tenderer and NAMA unless and until a Contract has been executed by the QIF and the successful Tenderer and any conditions precedent to its effectiveness have been fulfilled.

3. REQUIREMENTS

Tenderers shall submit a duly completed tender as set out in the Form of Tender at Schedule 1 to this RFP.

4. RETURN OF TENDER DOCUMENTS

4.1 Closing Date

The closing date for receipt of tenders is **Tuesday 6th March 2012 at 16:00 hours** (Dublin time) (“**Closing Date**”).

4.2 Return of Tender

Tenderers shall submit **5 hard copies** of their tender in one or more sealed envelopes/boxes clearly labelled on the outside to the following address:

**Head of Control,
Tender Reference 12/NAMA/QIFIM Services,
National Treasury Management Agency,
Treasury Building,
Grand Canal Street,
Dublin 2,
Ireland.**

One copy should be marked as “Master Copy”. In the event of any conflict or inconsistency between the tender marked “Master Copy” and any other copy of the tender provided, the tender marked “Master Copy” shall prevail.

Solely for the convenience of NAMA, Tenderers should also submit a soft-copy via email to QIFIMServices@NAMA.ie. Submissions via email are on the strict understanding that the security of the information provided and the method of electronic transfer are the sole responsibility of the Tenderer.

Tenders should be sent by registered post or recorded delivery, or delivered by hand. Submission by email will not constitute an acceptable form of delivery save in exceptional circumstances and where the Tenderer can provide proof of postage by the Closing Date. Should such occur the e-mailed version of the tender, in the form in which it is received, will be deemed the “Master Copy.”

4.3 Late Tenders

Tenders received after the Closing Date will not be accepted by NAMA under any circumstances. The Tenderer is fully responsible for the safe and timely delivery of its tender.

4.4 Tendering Costs

Tenderers will bear all costs associated with the preparation and submission of their tenders. NAMA will not be responsible and/or liable to pay for any costs, expenses or losses which may be incurred by the Tenderer in the preparation or submission of its tender, regardless of the conduct or outcome of the tender process. Tenderers should retain a full copy of their tender.

5. CONFIDENTIALITY AND MEDIA COMMUNICATIONS

Tenderers must treat all communications with NAMA as confidential. No comments relating to the process should be made to the press or any third party without the express approval of NAMA.

6. COMMUNICATIONS

6.1 Clarification of Tenders

To assist in the examination and comparison of tenders, NAMA may request Tenderers to clarify their tenders in writing.

6.2 Additional Information

Requests for additional information should be submitted by email not later than **16:00 hours (Dublin time) on Monday 20th February 2012** to e-mail:

QueriesQIFIMServices@nama.ie

It is the Tenderer's responsibility to ensure that all queries are received by NAMA. Copies of all queries submitted and NAMA's responses will be made available to all Tenderers no later than **Tuesday 28th February 2012** on www.etenders.gov.ie

7. CONFLICTS OF INTEREST

Any actual or potential conflict of interest must be fully disclosed in writing to NAMA as soon as such conflict or potential conflict becomes apparent. In the event of an actual or potential conflict of interest, NAMA shall, at its absolute discretion, decide on the appropriate course of action, which may involve the exclusion of the relevant Tenderer from the tender process.

8. RIGHT TO AMEND OR TERMINATE THE TENDER PROCESS

NAMA may in its absolute discretion:

- (i) change the basis of or the procedures relating to the tender process;
- (ii) reject any or all of the Tenders;
- (iii) invite a Tenderer to proceed further at any stage of the tender process;
- (iv) furnish a Tenderer with additional information in respect of any aspect of the Services;
- (v) do such things or engage in such actions as it deems necessary to ensure that proposed Services yield value for money; or
- (vi) abandon the tender process.

9. EXAMINATION AND EVALUATION OF TENDERS

9.1 Evaluation of Tenders

Tenders will be examined by a designated, suitably qualified Evaluation Group. Tenderers must satisfy the eligibility criteria in order to be assessed under the award criteria. In order for tenders to be assessed, all of the information required in the Form of Tender must have been provided. Incomplete tenders may be rejected.

9.2 Alterations and Additions

Tenders may not be qualified and must be submitted strictly in compliance with the RFP. Tenderers are not permitted to insert items in their tender in addition to those specifically requested pursuant to the RFP. If in NAMA's opinion, any tender deviates to a substantial degree from the requirements detailed in this RFP, that tender may be rejected.

9.3 Eligibility Criteria

Tenderers must satisfy the following eligibility criteria in order to be considered under the award criteria:

9.3.1 Declaration of Eligibility

Tenderers must execute the Declaration of Eligibility in Schedule 3.

To be considered for selection a Tenderer (and in the case of a consortium, a Lead Member and all Sub-Members) must comply with the eligibility requirements (Article 45 of Council Directive 2004/18/EC as transposed into Irish law by regulation 53 of EC(Award of Public Authorities Contracts) Regulations – SI 329 of 2006) which are effectively as follows:-

Any Tenderer who has been the subject of a conviction by final judgment for one or more of the reasons listed below shall be excluded from further consideration:

- a) Participation in criminal organisation, as defined in Article 2(1) of Council Joint Action 98/733/JHA;
- b) Corruption, as defined in Article 3 of the Council Act of 26 May 1997 and Article 3(1) of Council Joint Action 98/742/JHA respectively;
- c) Fraud within the meaning of Article 1 of the Convention relating to the protection of the financial interests of the European Communities;
- d) Money laundering, as defined in Article 1 of Council Directive 91/308/EEC of 10 June 1991 on prevention of the use of the financial system for the purpose of money laundering;
- e) Any Tenderer shall be excluded from further consideration:

- A) who is subject to a bankruptcy or insolvency procedure or process, as follows:
 - i) the Tenderer is bankrupt or the subject of a bankruptcy petition, or
 - ii) the Tenderer, being a body corporate, is being wound up or the subject of proceedings for compulsory winding up, or
 - iii) the Tenderer's affairs are being administered by a court, or
 - iv) the Tenderer is the subject of proceedings in which it is sought to have the Tenderer's affairs so administered, or
 - v) the Tenderer has entered into an arrangement with creditors, or
 - vi) the Tenderer has suspended business activities, or
 - vii) the Tenderer is, in the opinion of NAMA, in any situation analogous to any of those mentioned in subparagraphs (i) to (v) under a law of the State, another Member State or a third country relating to bankruptcy or insolvency of a kind specified in subparagraphs (i) to (v).
- B) who has been found guilty of professional misconduct by a competent authority that is authorised by law to hear and determine allegations of professional misconduct against persons that include the Tenderer, or
- C) who has committed grave professional misconduct provable by means that NAMA can demonstrate, or
- D) who has not fulfilled an obligation to pay a social security contribution as required by a law of the country or territory:
 - i) where the person ordinarily resides or carries on business, or
 - ii) in Ireland, or
- E) who has not fulfilled an obligation to pay a tax or levy imposed by or under a law of the country or territory:
 - i) where the person ordinarily resides or carries on business, or
 - ii) in Ireland, or
- F) who has provided a statement or information to NAMA knowing it to be false or misleading, or has failed to provide to NAMA a statement or information that is reasonably required by NAMA for the purpose of awarding the public contract concerned.

Tenderers must duly execute and submit the ‘Declaration of Eligibility’ contained in Schedule 3.

9.3.2 Regulatory Status

- a. Confirmation of eligibility to act as investment manager to a Qualifying Investor Fund and evidence of having been approved by the Central Bank to act as an investment manager to an umbrella Qualifying Investor Fund investing in property or property-related assets.
- b. Confirmation of compliance with the conditions of the Central Bank of Ireland for firms providing services to Qualifying Investor Funds.
- c. List the regulatory authorities which oversee your organisation. Have any authorisations or licences been revoked or suspended in the last three years?
- d. Provide details of any investigations into your firm undertaken by any regulatory authority, either current or which have occurred in the last three years.
- e. Are there any factors such as investigation, administrative sanctions procedures or legal action taken by any regulatory authority or client or potential conflicts of interest which may reasonably affect NAMA’s view of your firm as a provider of the Services?

9.3.3 Relevant Experience and Client References

Tenderers must provide details of at least **three (3)** collective investment schemes (preferably qualifying investor funds) with property and property related investment mandates to whom they have provided Investment Management Services in the course of the **last three (3) years**. Tenderers must provide:

- Details of the services provided to each of the three schemes;
- Details of acting as investment manager of platform umbrella funds involving the selection and appointment of third party sub-investment managers; and
- Where the appointment as investment manager was made by a third party, a reference from each client.

9.3.4 Insurance

Tenderers must provide evidence of professional indemnity insurance and crime cover of at least €25 million for each and every claim or period of insurance with indemnity limit reinstatement in favour of the QIF as appropriate or provide a letter from a reputable insurance company stating that

such cover would be available to the Tenderer should it be awarded a contract under this competition.

9.4 Award Criteria

Of the Tenderers eligible for inclusion in the award process, NAMA will award the Contract to the most economically advantageous tender which receives the highest aggregate mark by reference to the following criteria:

Award Criteria	Marks
(a) Strength of Firm and Resources	35
(b) Quality of Risk Control Framework, Administration and Reporting	20
(c) Ability to Meet Investment Objectives	20
(d) Fees	25
Total	100

Marks will be awarded on a comparative basis against the criteria and relative to the other tenders received. NAMA reserves the right to disqualify Tenderers who do not achieve at least 50% of the total available marks in each of criteria (a) – (c) set out above. The lowest cost tender will not necessarily be accepted and NAMA reserves the right to proceed with the Contract in part or not to proceed at all. Acceptance of a tender will be subject to the negotiation of a Contract.

Tenderers should indicate the word count in the relevant parts of their RFP response, where word count limits have been indicated in Schedule 1. Where a word count limit has been exceeded no account will be taken of text appearing after the word count limit.

10. MEETINGS / PRESENTATIONS

Following receipt of tenders, meetings may be arranged with one or more Tenderers at a location in Dublin to be advised by NAMA for the purposes of clarification or to demonstrate the credibility of their tenders. Tenderers should draw no conclusions if only some Tenderers and not others are asked to attend a clarification meeting, as some tenders may require clarification and others may not.

11. UNSUCCESSFUL TENDERS

NAMA will notify each unsuccessful Tenderer why its tender was rejected, the characteristics and relative advantages of the tender selected as well as the name of the successful Tenderer provided that doing so in NAMA's opinion would not (a) impede law enforcement, (b) prejudice the legitimate commercial interests of

economic operators, whether public or private, or (c) prejudice fair competition between the Tenderers.

12. FEES

12.1 Fees for Services

The Tenderer is requested for the purposes of the tender to provide an annual investment management fee as a percentage of the Net Asset Value of the Fund (the “Fees”). NAMA may seek an undertaking that no other client receives more favourable terms for the Services.

Fees must include all expenses (including travel, accommodation, photocopying, printing, postage, courier fees, telephone costs etc.) but shall be exclusive of VAT.

12.2 Clarification of Abnormally High / Low Fees

If it is considered that a Tenderer’s fees are abnormally high or, alternatively, are abnormally low, the Tenderer may be requested, in writing, to provide details of the constituent elements of the tender which NAMA considers relevant and any failure to comply with the above requirements within a reasonable timeframe, may exclude the tender from further consideration.

13. AWARD OF CONTRACT

13.1 Award of Contract

NAMA intends to award the Contract to the most economically advantageous tender based on the criteria set out in Section 9.4 above.

13.2 Pre-Conditions to Award of the Contract

The award of the Contract will be subject to the following pre-conditions:

- (a) the production of a current Irish Tax Clearance Certificate;
- (b) evidence of, or the ability to obtain, professional indemnity and crime insurance for a minimum of €25 million for each and every claim or for each period of insurance with indemnity limit reinstatement in favour of the QIF;
- (c) Confirmation that the Tenderer will comply with the provisions of section 45 of the Act;
- (d) Evidence of compliance with any Central Bank of Ireland regulatory requirements and other such legal requirements as may be required in order to provide investment management services to a Qualifying Investor Fund;
- (e) Where relevant, three (3) satisfactory client references in respect of the Services from collective investment schemes (preferably a Qualifying Investor Fund) which invests in property and property related assets;
- (f) Successful negotiation of a Contract; and

(g) Agreement that the Fees and Contract terms may be disclosed by NAMA/QIF.

Failure to demonstrate compliance with these pre conditions will result in a preferred Tenderer being eliminated from the competition.

Notwithstanding the above, no Services can commence and no contract shall be deemed to be in existence until a Contract has been executed by the preferred Tenderer and the QIF.

The award of the Contract will be subject to formal ratification by the Board of NAMA.

14. INTERFERENCE

Tenderers who endeavour to influence, induce or interfere in any way with the evaluation process shall have their tender rejected.

15. CONFIDENTIALITY OF EVALUATION

After the official opening of tenders, information relating to the examination, clarification, evaluation and comparison of tenders or award of contract will not be disclosed to Tenderers or other persons not officially concerned with such process. Information deemed to be confidential by NAMA will not be disclosed at any time save as required by law.

16. GOVERNING LAW, JURISDICTION AND REGULATORY REQUIREMENTS

The Contract and any other agreement entered into by the successful Tenderer concerning the Services shall be governed by and shall be construed in accordance with Irish law and will be subject to the exclusive jurisdiction of the courts of Ireland. In the event of any conflict between the terms of the Contract or any other agreement and any applicable laws and regulations, the latter will prevail.

The terms of the Contract will comply with the requirements of the Central Bank in respect of investment management services.

Schedule 1

Form of Tender

Provision of Investment Management Services

1. Tender Information

1.1 Name of Tenderer

1.2 Address for Correspondence

Address	<input type="text"/>
	<input type="text"/>
Post Code	<input type="text"/>
Country	<input type="text"/>

1.3 Name of Contact Person/Authorised Representative

1.4 Job Title of Contact Person/Authorised Representative

1.5 Telephone Number

Telephone Number of the Contact Person

1.6 Email Address

Email Address of the Contact Person

1.7 Website Address

Website Address (if available)

2. Eligibility Criteria

Please refer to section 9.3 of the RFP in this regard where Tenderers must provide the details and requirements as noted therein in order to be assessed under the award criteria.

3. Award Criteria

3.1 Strength of Firm and Resources – 35 marks (Maximum 2,000 words)

Tenderers must address the following questions (not listed in any order of importance) where marks will be awarded on an overall general basis.

- a) Provide details of corporate structure showing the relationship between your organisation and your parent company and subsidiaries or affiliates where applicable. Provide a history of your organisation.
- b) Does your organisation and parent company have an internationally recognised credit rating? If so, what is the rating and when was it published.
- c) Provide details of any guarantee or other surety for your performance, obligations or liabilities or other financial support that would be provided by your parent company.
- d) Provide latest audited financial statements, including auditor's report of your organisation and parent company (*not included in word count*).
- e) Provide an organisational chart with the business units comprising your Investment Management business and the key personnel that would be assigned to the Services. Provide a CV (in the format annexed below) for each of the key staff who will be responsible for delivery of the Services. Provide the total number of current relevant staff (by grade and/or category) dedicated to the provision of Investment Management Services (*not included in word count*).
- f) Outline the current remuneration and incentivisation structure for investment professionals including those that will be responsible for delivery of the Services.
- g) Briefly describe the range of services provided by your organisation in addition to Investment Management Services.
- h) Demonstrate the team's ability (who will be providing the Services) in running and operating multi-managed umbrella fund platforms (preferably authorised as QIF corporate structures) and provide information on how you select and supervise the different sub-investment managers appointed to each sub-fund of the umbrella platform.

STANDARD CV PRESENTATION FORMAT

Proposed Role and Level of Responsibility for delivery of the Services:

Surname / Family Name:

First Name(s):

Third Level Education:

Institution (Date from – to)	Degrees or Diplomas

Membership of Professional Bodies:

Other Skills:

Present Employment:

- Company
- Position
- Years with Company

Key Qualifications:

(Précis of key areas of expertise)

Specific Relevant Expertise:

Client	Date	Description of exact role on the project

3.2 Quality of Risk Control Framework and Administration and Reporting Frameworks – 20 marks (Maximum 1,500 words)

Tenderers must address the following questions (not listed in any order of importance) where marks will be awarded on an overall general basis.

- a) Provide a detailed description of your internal risk management and compliance systems and processes. Describe the checks and controls built into your processes to monitor risk.
- b) Provide an organisational chart showing the structure of your audit and compliance group. Confirm that the QIF or its authorised agents will have access to inspect documents and records held by you on behalf of the QIF.
- c) Confirm that you issue regular audit reports of the procedures adopted within your investment management area and provide a copy of the latest report. Provide details of any material qualifications in such report and the corrective action taken.
- d) Provide a sample copy of client reports, identifying the usual frequency for issue of each report. *(not included in word count)*
- e) Provide details of the frequency of reconciliation between your records and those of the sub-investment managers, Administrator and Custodian.

3.3 Ability to Meet Investment Objectives – 20 marks (Maximum 1,000 words)

Tenderers must address the following questions (not listed in any order of importance) where marks will be awarded on an overall general basis.

- a) What is the total size of property assets currently under management specifying those managed in property qualifying investor funds?
- b) Describe your firm's investment approach and research process.

3.4 Fees – 25 marks

Tenderers must provide an annual investment management fee as a percentage of the Net Asset Value of the Fund.

It is envisaged that Fees will be calculated daily and accrued quarterly, Fees quoted will be exclusive of VAT.

Tenderers are reminded of the conditions detailed in Section 12 (Fees) in the RFP.

Fees will be evaluated using the formula below:

$$\left[1 - \left(\frac{\text{TenderFee} - \text{LowestTenderFee}}{\text{HighestTenderFee}} \right) \right] \times \text{Weighting}$$

Where:

- **‘Tender Fee’ is the Fee in the Tender being evaluated.**
- **‘Lowest Tender Fee’ is the lowest Fee received.**
- **‘Highest Tender Fee’ is the highest Fee received.**
- **‘Weighting’ is 25.**

Please note that NAMA/QIF shall reserve the right to change the nature of the fee structure should it deem it expedient to do so in its absolute and sole discretion.

Schedule 2

The Services

The Services shall include but not be limited to the following and shall include any other services that are reasonably ancillary or necessary to the provision thereof:

Provision of investment management services to the QIF in accordance with the Companies Act, 1990 Part XIII and the requirements of the Central Bank of Ireland to include:

- Selection, monitoring, retention and supervision of sub-investment managers, independent valuer and other service providers. Negotiating the sub-investment management agreements and other delegation agreements entered into by the investment manager.
- Reporting to the directors of the QIF.
- Reporting to and liaison with the Custodian and Administrator as required.
- Reporting to and liaison with any investment committee which may be established by the QIF.
- Provision of one director to the Board of Directors of the QIF.
- Assisting NAMA in drafting and settling the investment objectives, policies and fees for each sub-fund of the QIF umbrella platform.

Schedule 3

Declaration of Eligibility and Understanding of RFP

The following declaration must be completed and signed by the authorised representative of the Tenderer and submitted in pdf format along with the completed tender.

Declaration	
I[Name]
of[Tenderer's name]
<p>hereby declare that none of the grounds for exclusion listed in Article 45 of Council Directive 2004/18/EC as transposed into Irish law by Regulation 53 of Public Sector Procurement Regulations – SI 329 of 2006) as set out in section 9.3.1, applies to [Tenderer's name]. I declare that I have taken all reasonable measures to confirm that this information is true and accurate as of this date.</p> <p>The Tenderer by signing this document declares it has read and fully understood this RFP and has raised any queries or clarifications it may have had arising from the RFP prior to the submission of its tender</p> <p>For and on behalf of each party comprising the Tenderer:</p> <p><i>Signed by</i> :</p> <p><i>Date</i> :</p> <p><i>Signed by</i> :</p> <p><i>Date</i> :</p>	