



**GOVERNMENT OF BERMUDA**

Ministry of Tourism Development and Transport

Request for Proposal for the Provision of Pension Plan Investment and Administration Services

**Addendum #1**

April 19<sup>th</sup>, 2016

The following addendum supersedes information contained in the Instructions to Bidders, Scope of Work issued for the RFP to the extent referenced. This Addendum forms part of the RFP documents and will be subject to all of the conditions set out in the contract conditions.

This Addendum # 1 contains four (4) pages.

**Addendum #1**

**A. Refer to the Letter of Invitation**

1. General Clarifications - None

**B. Refer to the Instructions to Bidders**

1. General Clarifications - None

**C. Refer to Specifications**

1. General Clarifications - None

**D. Bidder's Questions (Q) and Government's Responses (R).**

**Q1 Can you kindly share what has prompted the need for this RFP?**

**R1 The Departments of Civil Aviation and Maritime Administration will become Authorities during 2016 and existing staff have the option of remaining with the Superannuation Fund or joining a new pension plan. New employees will only be able to join the new plan. In order to find a provider of investment and administration services for a new pension plan for the Authorities, this RFP was issued.**



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**Q2** There are a few references in the RFP to Public Pensions e.g. Section 2.1.3 on page 16 and Section 2.2.4 on page 16. Do you mean Private Pensions as would be the case with the employees transitioning out of the Public Service Superannuation Fund?

**R2** The point here is to make the distinction between a purely private pension fund and one that is for Government Quangoes/Authorities.

**Q3** Can you please state the total annual payroll for both organizations?

**R3** The budgeted annual payroll for the Department of Civil Aviation for 2015/16 was \$3.186m and the budgeted annual payroll for the Department of Maritime Administration for 2015/16 was \$1.169m. These numbers are subject to change under the new Authorities.

**Q4** Reference is also made to restricting the investment options, as this is not normally the case with private pension plans, are there specific reasons for restricting access to investments in the various asset classes? E.g. reference Section 2.1 on page 15 and Section 2.2 on page 16.

**R4** This is to ensure that the investments are relatively conservative, do not result in conflicts of interest and are also not investment vehicles that result in unusually high management fees (such as paying multiple management fees for fund investments).

**Q5** Will vested and non-vested employees in both plans be eligible to take a cash refund from the Superannuation Fund?

**R5** Only unvested employees are eligible to take a cash refund from the Superannuation Fund.

**Q6** Could you kindly confirm that the investment platform must include SEC registered products? Part B Section 2, 2.1.

**R6** This is correct. The aim is to have investment products that are relatively easy to buy and sell.

**Q7** We note that this is a Defined Contribution plan, as such there is no funding requirement other than monthly contributions received. Could you please confirm your meaning for "preparation of Financial Statements"? Ref Part B Section 2, 2.3



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**R7** There may be a decision to outsource the entire process of pension administration to the selected firm and thus the chosen firm may need to do tasks such as record-keeping, working with advisors, maintaining contributions and providing the accounting for contributions and financial transactions.

**Q8** Please confirm what “PA” stands for and what Federal government statutes you are referring to? Part B, Section 2, 2.3 Item 2.

**R8** “PA” stands for Pension Administrator and Federal Government is meant to refer to the Government of Bermuda.

**Q9** Could you please define “ACT”? Part B, Section 2, 2.3 Item 3.

**R9** “ACT” in this instance refers to the National Pension Scheme (Occupational Pensions) Act 1998.

**Q10** Could you provide examples of “additional administrative and advisory services” 2.5

**R10** Training for in-house Administrators and pre-retirement education and guidance, for example.

**Q11** Please clarify the following in the context of a Defined Contribution Pension RFP. Part C, page 3 References.

**Contract Amount:**

**Project title:**

**Project start date:**

**Project end date:**

**Adherence to deadlines:**

**Client’s overall satisfaction level:**

**R11** The descriptions are clarified as follows:

**Contract Amount:** The value of the referee’s pension plan

**Project title:** The name of the client

**Project start date:** The date when your company began providing pension plan services

**Project end date:** The date when your services were terminated in providing pension plan services, if applicable

**Adherence to deadlines:** How would you rate your company in adhering to agreed deadlines



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**Client's overall satisfaction level: How would you rate your client's satisfaction with your pension plan services**

END OF ADDENDUM #1