

LOCAL PENSIONS PARTNERSHIP INVESTMENTS LTD

INVITATION TO TENDER

for the provision of

A REAL ESTATE AUTHORISED CONTRACTUAL SCHEME DEPOSITORY

PROCUREMENT TYPE: 'Open Procedure'

PLEASE READ THIS DOCUMENT VERY CAREFULLY AS AN INCOMPLETE UNDERSTANDING MAY RESULT IN YOU MAKING AN INVALID TENDER

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1. BACKGROUND

Local Pensions Partnership ("**LPP**") is a provider of pensions services to institutional investors. Investment management services are carried out by Local Pensions Partnership Investments Ltd ("**LPPI**") which is authorised by the Financial Conduct Authority. Current recipients of investment management services are the London Pensions Fund Authority ("**LPFA**"), Lancashire County Pension Fund ("**LCPF**") and Royal County of Berkshire Pension Fund ("**RCBPF**"). LPPI is in the process of establishing a real estate pooling vehicle and has discretionary investment authority in relation to the management of the assets within the pool and the deployment of further capital by LPFA, LCPF and RCBPF.

The pooling process has been undertaken by LPPI on a strategy-by-strategy basis, with "Real Estate" being the final remaining of the strategies for these purposes (the "**Real Estate Pool**").

LPPI, LCPF and RCBPF together hold in aggregate over £1.6bn of real estate assets which currently fall within the investment scope of the Real Estate Pool (the "**Existing Real Estate Investments**").

The Existing Real Estate Investments are predominantly held directly, with the remainder (indirectly held) in special purpose vehicles ("**SPVs**") and funds (see Table 1 below for summary of the Existing Real Estate Investments split by direct/indirect and UK/EX UK and Table 2 which outlines the asset split by client).

Table 1: Existing Real Estate Investments on Balance Sheets (at 31 March 2018)

EXISTING REAL ESTATE INVESTMENTS	DIRECT (£m)	FUNDS/SPV (£m)	TOTAL (£m)
UK	864.00	156.6	1,020.6
EX-UK	<u>0.0</u>	<u>453.1</u>	<u>453.1</u>
TOTAL	864.0	609.7	
GRAND TOTAL			£1,473.7

Table 2: Existing Real Estate Investments on Balance Sheets (at 31 March 2018)

Existing Real Estate Investments	LCPF	LPFA	RCBPF	TOTAL
UK	(£m)	(£m)	(£m)	(£m)
Direct	696.6	167.4	00.00	864.0
Indirect	67.3	13.4	75.9	156.6
EX-UK	(£m)	(£m)	(£m)	(£m)
Indirect	46.0	231.8	175.3	453.1

2. POOLING VEHICLE

In order to meet the commercial objectives of LPPI in relation to the Real Estate Pool, the pooling vehicle will take effect through the establishment of a new investment vehicle (the “**Vehicle**”).

LPPI’s chosen Vehicle is the Authorised Contractual Scheme (“**ACS**”). This solution involves the transfer of all the Existing Real Estate Investments under LPPI’s management into a single standalone newly created ACS fund structure.

Tenderers are asked to bid to provide Depository Services based on the information supplied in Schedule 1 including (i) the Specification (ii) the ACS Real Estate Portfolio (iii) the Expanded ACS Real Estate Portfolio.

3. CONTENTS AND SCOPE OF ITT

3.1 Content

This ITT comprises:

- a) Sections 1 to 5 inclusive;
- b) Service Specification and Portfolios (Schedule 1);
- c) Quality/Service Questionnaire (Appendix 1);
- d) Pricing Questionnaire (Appendix 2);
- e) Delivery Plan (Appendix 3); and
- f) Tenderers’ standard Terms and Conditions (Appendix 4).

Tenderers are advised not to rely on communications from LPPI in respect of the ITT unless

they are made in accordance with these instructions.

3.2 Purpose and Scope of the ITT

This ITT sets out:

- a) the Tender terms and requests Tenderers to submit their Tenders in accordance with the instructions set out in the remainder of this ITT;
- b) the overall timetable and process for the procurement to Tenders;
- c) the Award Criteria and the Evaluation Model that will be used to evaluate the Tenders; and
- d) provides Tenderers with sufficient information to enable them to submit a compliant Tender.

3.3 Rights of LPPI

Without prejudice to any other right set out in this ITT, LPPI reserves the following rights:

- a) waive or change the requirements of this ITT from time to time without prior (or any) notice being given by LPPI;
- b) seek clarification or documents in respect of a Tenderer's submission;
- c) disqualify any Tenderer that does not submit a compliant Tender in accordance with the instructions in this ITT;
- d) disqualify any Tenderer that is guilty of serious misrepresentation in relation to its Tender or the procurement process;
- e) disqualify any Tenderer that is in breach of confidentiality obligations set out in Section 3.4;
- f) withdraw this ITT at any time, or to re-invite Tenders on the same or any alternative basis;
- g) choose not to issue a Contract Award as a result of the current procurement process; and
- h) make whatever changes it sees fit to the timetable, structure or content of the procurement process, depending on approvals processes or for any other reason.

3.4 Confidentiality & Non-Disclosure

Subject to the remainder of this paragraph, each of LPPI and a recipient of this ITT shall use all reasonable endeavours to prevent disclosure, other than to its affiliates, to any person, firm or professional representative whatsoever of any information of a confidential nature relating to the business (including the terms of the ITT), investments, finances or other matters of a confidential nature of the other which may come into its possession, including (but not limited to) in the course of communications under this ITT. The aforesaid confidentiality and non-disclosure obligations do not apply in the following circumstances:

- a) where the party in receipt of such information has the consent of the other party to make the disclosure; or
- b) where it reasonably considers it appropriate to make such disclosure to the Financial Conducts Authority, the Information Commissioner or any other regulatory body or authority or by any equivalent jurisdiction; or
- c) where disclosure is made to insurers, auditors or legal or tax advisers where necessary; or
- d) where such information has otherwise come into the public domain.

3.5 Timetable and Key Dates

This ITT will follow a clear, structured and transparent process to ensure a fair and level playing field is maintained at all times, and that all Tenderers are treated equally. The key dates for the procurement timetable are currently anticipated to be as follows:

EVENT	DATE
Publication of ITT	29/01/2019
Clarifications Deadline	06/02/2019 16:00hrs GMT
Responses to Clarifications Deadline	11/02/2019 16:00hrs GMT
Submissions Deadline	15/02/2019 16:00hrs GMT
Evaluation Period	18/02/2019 – 23/02/2019
Invitations to present	Week ending 01/03/2019
Contract Award Notice and Commencement of Standstill Period	05/03/2019
Standstill Period closes	15/03/2019
Contract Award	16/03/2019
Service Commencement Date	30/06/2019

4. TENDER RULES

4.1 Conduct and Conflicts of Interest

Any attempt by Tenderers or their advisors to influence the Contract Award process in any way may result in the Tenderer being disqualified. Specifically, Tenderers shall not directly or indirectly at any time:

- a) devise or amend the content of their Tender in accordance with any agreement or arrangement with any other person, other than in good faith with a person who is a proposed partner, supplier, consortium member or provider of finance;
- b) enter into any agreement or arrangement with any other person as to the form or content of any other Tender or offer to pay any sum of money or valuable consideration to any person to effect changes to the form or content of any other Tender;
- c) enter into any agreement or arrangement with any other person that has the effect of prohibiting or excluding that person from submitting a Tender;
- d) canvass LPPI or any employees or agents of LPPI in relation to this procurement;
- e) attempt to obtain information from any of the employees or agents of LPPI or their advisors concerning another Tenderer or Tender.

Tenderers are responsible for ensuring that no conflicts of interest exist between the Tenderer and its advisers, and the LPPI and its advisers. Any Tenderer who fails to comply with this requirement may be disqualified from the procurement at the discretion of the LPPI.

4.2 Clarifications regarding the Depository Services or ITT

Interested parties wishing to submit a Tender may submit clarifications to Stuart Brown via email; stuart.brown@localpensionspartnership.org.uk

cc: nazneen.jafri@localpensionspartnership.org.uk

LPPI will respond to all reasonable clarifications as soon as possible through publishing the Tenderers' questions and LPPI response to them via a Question and Answer Log that will be made available to all Tenderers. If a Tenderer wishes LPPI to treat a clarification as confidential and not issue the response to all Tenderers, it must state this when submitting the clarification. If, in the opinion of LPPI, the clarification is not confidential, LPPI will inform the Tenderer and they will have an opportunity to withdraw it. If the clarification is not withdrawn, the response will be issued to all Tenderers.

4.3 Clarifications regarding the contents of a Tender

LPPI reserves the right to seek clarification of any aspect of a Tender during the evaluation phase where necessary for the purposes of carrying out a fair evaluation. Tenderers are asked to respond to such requests promptly. Vague or ambiguous answers are likely to score poorly or render the Tender submission non-compliant.

4.4 Submission of Tenders

Each Tenderer must submit one Tender that operates as a standalone bid and is not to be dependent on any other Tender or any other factors external to the Tender itself, save to the extent that any discount offers are submitted in respect of the Tender price where a Contract Award is made under all or selected Framework Lots (which Tenderers are asked to specify in the response to the Pricing Questionnaire).

The following requirements must be adhered to when submitting Tenders:

- a) the pages of the Tender documents must be numbered sequentially as “Page [x] of [xx]” and include the date and title of the document on each page of the main body;
- b) any additional pre-existing material which is necessary to support the Tender should be included as schedules with cross-references to this material in the main body of the Tender. Cross-references to this ITT should also be included in the Tender whenever this is relevant;
- c) where documents are embedded within other documents, Tenderers must upload separate copies of the embedded documents;
- d) the Tender must be uniquely named or referenced;
- e) Tenderers are requested to supply two references, to include existing clients with similar requirements. References will be used to verify the technical proposals put forward in the Tender and will not be scored. LPPI will not seek references without the consent of the tendering party;
- f) where the Tenderer is a company, the Tender must be signed by a duly authorised representative of that company. In the case of a partnership, all the partners should sign or, alternatively, one only may sign, in which case he must have and should state that he has authority to sign on behalf of the other partner(s). The names of all the partners should be given in full together with the trading name of the partnership. In the case of a sole trader, s/he should sign and give his/her name in full together with the name under which s/he is trading.

Tenders will be evaluated according to the Evaluation Criteria, as outlined in Section 5.

4.5 Submission Deadline

Tenders shall be submitted to stuart.brown@localpensionspartnership.org.uk before 16:00hrs GMT on 15/02/2019.

Any Tender received after the Submission Deadline shall not be opened or considered. LPPI may, however, in its own absolute discretion extend such deadline and, in such circumstances, LPPI will notify all Tenderers of any change.

4.6 Contract Award

LPPI may award the Contract for **Real Estate Authorised Contractual Scheme Depository Services** on the basis of a Tender submitted in accordance with this ITT.

The Contract Award will be for a total period of 7 years, comprising of an initial term of 5 years, followed by an extension of 2 years at the discretion of LPPI.

Once LPPI has reached a decision in respect of a Contract Award, it will notify all Tenderers of that decision.

LPPI will inform all unsuccessful Tenderers of the identity and overall score the successful Tender as compared with the addressee's Tender.

A Contract Award is subject to the formal approval process of LPPI. Until all necessary approvals are obtained, no contractual arrangements will be entered into.

4.7 Contract Terms & Conditions

Tenderers must submit proposed draft terms and conditions governing the provision of the Services into Appendix 4.

NOTE: the governing law of the Contract for the Lot services must be English Law and disputes will be resolved by arbitration under the rules and jurisdiction of the London Court of International Arbitration. This requirement is non-negotiable, and a Tender will be struck out if the contractual terms and conditions do not adhere to this requirement.

By submitting a Tender, Tenderers are agreeing to be bound by the terms of this ITT and the proposed Tenderer Terms and Conditions as set out in Appendix 4.

The following documents shall form part of the Contract between LPPI and the Service Provider:

- a) General Terms and Conditions;
- b) Specification & Portfolio Tables (Services);
- c) Response Quality/Service Questionnaire (Service Levels);
- d) Response to Pricing Questionnaire (Fees); and
- e) Delivery Plan.

4.8 Costs

LPP will not be liable for any bid costs, expenditure, work or effort incurred by a Tenderer in proceeding with or participating in the ITT, including if the procurement process is terminated or amended by the LPPI. Any Tender costs, expenditure, or any other expense incurred by a Tenderer regarding the ITT will be covered by the Tenderer.

5. **EVALUATION MODEL & PROCESS**

5.1 Evaluation Overview

All Tenders will be reviewed by LPPI 's evaluation panel, scored and subsequently any Contract Award which is made as a result of this procurement will be on the basis of the offer that is the most economically advantageous tender ("**MEAT**") to LPPI.

The overall criteria for the Contract Award are as follows:

Evaluation Criteria	Maximum Available Score	Weighting %
Quality	80	50%
Price	100	30%
Delivery Plan	100	20%
TOTAL		100%

5.3 Evaluation Process

The Tender evaluation procedure is divided into the following key stages, which LPPI may run concurrently:

EVALUATION STAGE	PROCESS
Compliance/Validation	LPPI will conduct quality assurance of the Tenders to confirm compliance with ITT requirements.
Quality/Service Evaluation	Evaluation Panel will assess the Quality/Service Questionnaire in accordance with Section 5.3.
Price Evaluation	LPPI will evaluate the Price element of the Tender in accordance with the Section 5.4.
Delivery Plan Evaluation	Evaluation Panel will assess the Delivery Plan Questionnaire in accordance with Section 5.5.
Optional Presentations	LPPI may request Tenderers to deliver a presentation to representatives of the LPPI in support of their Tenders. This will not form part of the Tender Evaluation.
Final Score	The Price score will be added to the Quality/Service and Delivery Plan scores to determine the “ Final Score ” for each Tender in accordance with Section 5.6.

An independent evaluation process takes place whereby each evaluator will separately (i.e. without conferring with other evaluators) scrutinise the answers given in the Tender. Each evaluator will then allocate a mark for the answer in accordance with the marking scheme (as set out in Section 5.3 and Appendix 1) applicable to that question.

Once all individual evaluators have scored the Tenders, a group consensus marking meeting takes place whereby evaluators discuss their independent marks until they reach a consensus regarding the marks that should be attributed to each Tenderers’ answer to the questions to provide the final ‘Quality/Service Score’.

Tenderers must achieve the Minimum Quality Score, as described, for each of the questions below. Only those Tenderers responses which achieve the Minimum Quality Score for all questions will be included in the Price evaluation process.

5.3 Quality/Service Questionnaire Scoring

An independent evaluation process takes place whereby each evaluator will separately (i.e. without conferring with other evaluators) scrutinise the answers given in the Tender. Each evaluator will then allocate a mark for the answer in accordance with the marking scheme (as set out in Appendix 1) applicable to that question.

Each mark achieved will be multiplied by the corresponding weighting to provide an overall question score.

Tenderers must answer all questions in the Quality/Service Questionnaire (Appendix 1), clearly demonstrating how they propose to meet the requirements set out in the question and address each element in the order they are detailed. They should refrain from making generalised statements and providing information not relevant to the topic.

Once all individual evaluators have scored the Tenders, a group consensus marking meeting will take place whereby evaluators discuss their independent marks until they reach a consensus regarding the marks that should be attributed to each Tenderers' answer to the questions to provide the final 'Quality/Service Score'.

5.4 Price Scoring

Tenderers' are required to price the tender by responding to the Price Questionnaire template Appendix 2, based on the assumption of three investors, quarterly pricing and quarterly distribution of income and the information provided in Table A and B of Schedule 1 (Specification). In doing so Tenderer's are also confirming that prices offered exclusive of VAT and firm for a period of 180 days following the Submission Deadline.

The Tender Price shall be a total cost over the Contract term as specified in Appendix 2. The Tender with the lowest price shall be awarded the Maximum Available Score. The remaining Tenders shall be awarded a percentage of the Maximum Available Score equal to their price, relative to the lowest priced Tender.

The calculation used is the following:

$$\frac{\text{Lowest Price} \times \text{Maximum Available Score}}{\text{Tender Price}}$$

Tender	Total Estimated costs over Contract Term	Score Calculation	Maximum Available Score	Score Awarded
A	£1,000	$\text{£1,000} / \text{£1,000} \times 100$	100	100
B	£2,000	$\text{£1,000} / \text{£2,000} \times 100$	100	50
C	£2,500	$\text{£1,000} / \text{£2,500} \times 100$	100	40

5.5 Delivery Plan Scoring

Tenderers are required to convey their deliverables and milestone dates using the Delivery Plan template provided in Appendix 3.

5.6 Final Score

The Price score will be added to the Quality/Service score and the Delivery Plan score to determine the final score for each Tenderer ("**Final Score**").

Where multiple Tenders receive the same Final Score, the winning Tender will be the one with the highest score for the quality element.

In the event the winning Tenderer declines to accept the Contract Award, it will be made to the next ranked Tender, and so on until it has been accepted.

Acceptance of the Contract Award (subject to satisfying conditions successfully) is formalised through signatures by LPPI and the successful Tenderer.

SCHEDULE 1: SPECIFICATION

Depository Services for the ACS vehicle shall include but not be limited to the following:

1. Cash monitoring;
2. Verification and safeguarding of assets;
3. Fund oversight to include but not limited to pricing, dealing and portfolio valuation;
4. Oversight of investment and borrowing power compliance;
5. Production of annual funds management opinion for the annual report.

Please bid on the basis that all direct UK property investments are held directly rather than in SPVs. There will be the facility to include them in future if required.

General points to note

- There will be one portfolio of real estate assets, fully pooled.
- LPPI's investment mandate is to focus on income generating property investment. However, LPPI undertakes some property development to create income-producing assets (independently and through third party joint ventures).
- All indirect assets will be accounted for on a Fair Value Basis.
- It is estimated that a total of 7 bank accounts will be required. This is based on the requirement to have separate income and capital accounts for each currency (GBP, EUR and USD) as well as subscription and redemption accounts. Tenderers are to assume that subscriptions and redemptions are to be in GBP only.
- As of the date of this ITT, there are no directly-held Real Estate Investments outside the UK. All ex-UK Real Estate Investment is indirect in fund structures.
- The fund will be open to other investors to join. Initial contact with investors will be through LPPI, in its capacity as the fund manager. If further investors join, it is assumed they would acquire/be issued units in the existing fund.
- Subscriptions are expected to take place quarterly.
- Capital calls will be made when a direct asset is acquired or when an underlying fund investment makes a call.
- It is envisaged that the fund will be set up to distribute income, but that investors will have the option to re-invest the income.
- Dealing volume is expected to be low. Investor subscriptions are generally long-term, as are the underlying investments, which will also have a low level of churn.
- LPPI will require performance returns to be calculated at fund and investor levels, and ideally at asset level.
- Investor reporting will be to LPPI except to the extent that regulations require unit statements or valuations to be sent directly to unit-holders.

- LPPI will take principle responsibility for tax-related matters.
- Pricing will take place quarterly.
- No annual fee rebates to clients are to be assumed.
- Dealings with clients will be in GBP. Cash-flows with underlying investments may be in foreign currency.
- LPPI does not hedge currency exposure within its individual portfolios.

Table notes

- For direct UK property, the investment manager is Knight Frank Investment Management, the property manager is BNP Paribas.
- For the other property investments, the contact will be the fund manager. All are UK based and report in English. CBRE Investment Management manage the segregated account, Lasalle the Funds of Funds.
- Bidders should price on the basis of the current portfolio becoming the expanded portfolio over a period of 7 years.

Table A: Real Estate Investment Portfolio (on Establishment of ACS Fund)

INVESTMENT	£M	NO.	CHARACTERISTICS
UK			
Direct UK Property	1,120.0	86	Monthly distributions from Property Manager and Investment Manager cash-flows
2x Healthcare Funds	50.0	2	Quarterly income distributions
PRS LLP	30.0	1	Quarterly income distributions
PRS JV (LLP Structure)	50.0	1	Quarterly income distributions
Glassford PRS JV	6.2	1	Annual income distribution
Residential Land Fund	10.0	1	PE calls and capital distributions
2x Specialist Fund	100.0	2	PE calls and capital distributions
SUB-TOTAL UK	<u>1,366.2</u>	94	
EX-UK			
Ex-UK segregated account	202.8	1	Quarterly income distributions
Ex-UK Fund of Funds	153.5	1	Quarterly income distributions
Brookfield Brazil	21.1	1	
M&G European Property Fund	46.0	1	Quarterly income distributions
Miltrust AUS and NZ Agri Funds	21.8	2	Annual income distribution
2x specialist funds	75.0	2	
SUB-TOTAL EX-UK	<u>520.2</u>	<u>8</u>	
TOTAL	<u>1,886.4</u>	102	

Table B: Real Estate Investments Expanded Future Portfolio (ACS Fund)

INVESTMENT	£M	NO.	CHARACTERISTICS
UK			
Direct UK Property	1,800.0	120	Monthly distributions from Property Manager and Investment Manager cash-flows
2x Healthcare Funds	50.0	2	Quarterly income distributions
PRS LLP	30.0	1	Quarterly income distributions
PRS JV (LLP Structure)	50.0	1	Quarterly income distributions
Glassford PRS JV	7.0	1	Annual income distribution
Residential Land Fund	10.0	1	PE calls and capital distributions
4x Specialist Fund	200.0	4	PE calls and capital distributions
SUB-TOTAL UK	<u>2,147.0</u>	130	
EX-UK			
Ex-UK segregated account	250.0	1	Quarterly income distributions
Ex-UK Fund of Funds	200.0	1	Quarterly income distributions
Brookfield Brazil	22.0	1	
M&G European Property Fund	50.0	1	Quarterly income distributions
Miltrust AUS and NZ Agri Funds	31.0	2	Annual income distribution
6x specialist funds	300.0	6	
SUB-TOTAL EX-UK	<u>853.0</u>	<u>12</u>	
TOTAL	<u>3,000.0</u>	<u>142</u>	

Appendix 1 - Quality / Service Questionnaire

Score Guide

Mark	Guide
0	Failed to provide confidence that the proposal will meet the requirements. An unacceptable response with serious reservations.
20	A Poor response lacks convincing detail with risk that the proposal will not be successful in meeting all the requirements.
40	Meets the requirements – the response generally meets the requirements but lacks sufficient detail to warrant a higher mark.
60	A Good response that meets the requirements with good supporting evidence. Demonstrates good understanding.
80	An Excellent comprehensive response that meets the requirements. Indicates an excellent response with detailed supporting evidence and no weaknesses resulting in a high level of confidence.

The **Minimum Acceptable Score** for each question is 40.

The **Maximum Available Score** for each question is 80.

Each question carries equal weighting (6.25%).

Quality/Service Question	
1	<ul style="list-style-type: none"> a. Please provide a structure chart of the team that would be supporting the Services and brief biographies of key staff including relevant experience as well as senior management overseeing the service provision. b. Outline the appropriate cover arrangements that would operate to cover for leave/sickness and how high priority issues would be addressed outside normal timescales. c. Describe your typical day to day interaction with a client. Can clients just pick up the phone and easily speak to a senior member of the team for example? d. Where is the team located? Will you outsource or delegate client services to other locations? If so describe which work is delegated and to which offices, and how coordination is conducted.
2	Please explain your understanding of the ACS fund structure and the business rationale.
3	<ul style="list-style-type: none"> a. Please describe what the unique features are of an ACS fund that maybe relevant to the services being tendered. b. How have or will, your systems be adapted to accommodate specific requirements for servicing the ACS fund vehicle compared to other Real Estate fund vehicles.
4	<p>Describe your experience providing services for a Real Estate ACS fund vehicle for a client with similar characteristics/requirements to an LGPS.</p> <p>If you do not have experience of this, please provide an example of providing the services for an alternative Vehicle, for example a PAIF, for a similar client to an LGPS.</p>
5	What challenges have you previously experienced and anticipate with an ACS fund as opposed to other fund vehicles?
6	<ul style="list-style-type: none"> a. What are your procedures for onboarding clients? b. Please explain what systems you have in place to manage the migration of LPPI data including co-ordination of system access and resources.
7	Please outline your involvement and process with respect to real estate acquisitions by LPPI. Describe how your process will integrate with LPPI's investment process.
8	Please provide an overview of the systems that you use for the provision of the Services and elaborate on the rationale for choosing this system and the benefits it provides.

9	<p>a. Describe to what extent system is automated.</p> <p>b. Are your procedures ISAE3402 certified or equivalent? Please provide the latest report.</p>
10	Describe the adaptability of data reporting and transfer into an automated portfolio management system (PMS) operated by a third party.
11	Please describe your principles for exit management/transition to a third-party service provider in the event of Contract termination.
12	<p>a. What contingencies exist to ensure LPPI will be served consistently and without disruption?</p> <p>b. How will you deal with unexpected situations?</p>
13	<p>a. Please describe your error logging procedures.</p> <p>b. Please quantify and describe at an overview level the errors recorded in the error log in the last three years.</p>
14	<p>a. Please explain your procedures for:</p> <ol style="list-style-type: none"> I. KYC/CTF review; II. Capital calls and distributions; III. Investor reporting (including if have the ability to report at asset level). <p>b. How will you maintain communication with LPPI in relation to accurate and timely reporting?</p>
15	What processes and systems are in place to address interfaces with third parties including the Fund Administrator and Transfer Agent and PMS service provider?
16	What are your procedures for sharing information with the funds tax advisors for compliance purpose?

Appendix 2: Pricing Questionnaire

Please refer to Tables A and B of Schedule 1 (Specification) to price your Tender.

1. Set Up Costs

Amount	Basis <i>(Fixed/T&M etc)</i>	Services Included <i>(please list)</i>	When payable <i>(Contract Award / Commencement Date etc)</i>

2. Fixed Operating Costs

These are the operating costs that will be incurred in operating the fund by providing the standard service. These costs specifically exclude transactional costs (which are included in the next section). Where these costs are subject to regular increases or are dependent on other factors (e.g. value of assets under management), please specify and provide full schedules as appropriate.

Please assume linear growth to achieve the expanded future portfolio values in table 4 over the lifetime of the Contract (7 years)

Year 1 Amount	Basis <i>(Fixed/T&M etc)</i>	Services Included <i>(please list)</i>	When payable <i>(Frequency, in arrears/advance)</i>

Year 7 Amount	Basis <i>(Fixed/T&M etc)</i>	Services Included <i>(please list)</i>	When payable <i>(Frequency, in arrears/advance)</i>

3. Variable Operating Costs

Please attach your rate card.

Amount per instance	Basis <i>(Fixed/T&M etc)</i>	Service	Predicted Volume (Annual)	Year 1 Cost	When payable <i>(Frequency, in arrears/advance)</i>

4. Miscellaneous Costs

Please provide details of any additional costs not included in the above including exit/transition to a third-party service provider in the event of contract termination.

Year Amount	1	Basis <i>(Fixed/ T&M etc)</i>	Services Included <i>(please list)</i>	When payable <i>(Frequency, in arrears/advance)</i>

Year Amount	7	Basis <i>(Fixed/T&M etc)</i>	Services Included <i>(please list)</i>	When payable <i>(Frequency, in arrears/advance)</i>

5. Total Price

Total annual cost is the sum of the fixed and variable operating costs plus any miscellaneous costs:

Total Set up cost	
Total Year 1 cost	
Total Year 2 cost	
Total Year 3 cost	
Total Year 4 cost	
Total Year 5 cost	
Total Year 6 cost	
Total Year 7 cost	
Total Price	

Appendix 3: Delivery Plan

Deliverable	Service Provider/LPPI Obligation	Milestone Date	Dependencies	Critical Path (Yes/No)

Appendix 4: Standard Terms and Conditions