



**ADDENDUM #1
RFP # FY 2014-2015-015
INVESTMENT ADVISORY SERVICES**

The following items listed below found on page 3 of 18 of the RFP, Minimum Qualification Requirements, have been revised as follows:

1. Years in Business:

Firm must have ten (10) years' experience having provided the scope of work as outlined in this RFP. Proof of ten years' experience is to be counted from June 1, 2005. Firm is to provide a statement addressing how it meets this experience requirement.

2. Experience for the Firm and the Account Manager:

b. Firm must be currently managing at least \$5 billion of assets for a public organization. The Firm's own funds will not count as a public funds.

Below find the questions and answers for this project:

Question # 1:

How many portfolios are currently managed?

Answer # 1:

One portfolio.

Question # 2:

What is the approximate market value of each portfolio?

Answer # 2:

\$ 60 million

Question # 3:

Are statements available for the account(s)?

Answer # 3:

The statements are not being released since the City believes firms are able to provide a response to the RFP without the statement's information.

Question # 4:

Does the City of Hallandale Beach have any issues generating? If offered two investment services one with 4% non-tax investment return vs. an Unrelated Business Income Tax (UBIT 8% investment return where some UBIT would be paid for a net return of 6%, which of the two would be preferred?

Answer # 4:

The City does not have Unrelated Business Income Tax (UBIT).

Question # 5:

As a bidder on the mandate, do we have access to the decision makers on the board and are we allowed to interact with them during the RFP process?

Answer # 5:

Per Exhibit II of the RFP, page 2 of 23 through 4 of 23, please read the Cone of Silence which is in effect for this project. No communication.

Question # 6:

Is there any flexibility regarding the requirement to be GIPS compliant? We manage \$480 billion in AUM but are not GIPS compliant. Would Alliance Bernstein still be able to participate in the bidding process?

Answer # 6:

Exhibit I, pages 3 of 18 through 4 of 18 contains the Minimum Qualification Requirements (MQRs) for this RFP. On page 3, 1st paragraph it states: "proposing firm must meet the MQRs stated in order to be eligible for evaluation of their firm's submittal". Such MQRs have been revised please see page 1 of Addendum # 1 for such revisions.

Question # 7:

Can the reference requirements for 3 former clients and 5 government funds overlap or do these need to be separate?

Answer # 7:

Read Exhibit I of the RFP pages 5 and 11 which provides the requirements for the references.

Question # 8:

How do you view a proprietary investment manager and are there any objections hiring a proprietary investment management firm?

Answer # 8:

Exhibit I of the RFP, pages 2-4 states the City's scope of work for this RFP. Exhibit I pages 7-14 provides the required proposal format which firms must follow to respond to the RFP. The evaluation of firm's responses will be evaluated as delineated in these pages.

Question # 9:

Why is this search happening now? Is the City rebidding an existing contract or is this the first time it is seeking these services? If the search is part of a rebidding process, are you able to disclose the name of the incumbent and whether they are allowed to rebid?

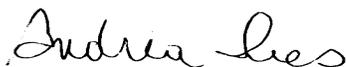
Answer # 9:

The City's incumbent firm is Public Financial Management (PFM). The City is following best practices in testing the market for these services by doing a Request for Proposals. The incumbent will be allowed to propose.

PLEASE NOTE RECEIPT OF ADDENDUM # 1 BY SIGNING BELOW AND INCLUDE WITH YOUR FIRM'S SUBMISSION. I ACKNOWLEDGE RECEIPT OF ADDENDUM # 1:

Company	
Name	
Title	
Signature	
Date	

Sincerely,



Andrea Lues, Procurement Director Procurement Department