

REQUEST FOR QUOTES

Foreign Tax Agent Services - Taiwan

Date Issued:	October 7, 2016
Questions Due:	October 21, 2016
Proposal Submission:	October 28, 2016
Responses Due by:	3:00pm EST

Christopher McDonough, Director
State of New Jersey
Department of the Treasury
Division of Investment
Trenton, NJ 08608
www.state.nj.us/treasury/doinvest

I. PURPOSE AND INTENT

The purpose of this Request for Quotes (RFQ) is to solicit bid proposals from advisors/agents for tax agent services related to the Division of Investment's (DOI) investment in the local Taiwan securities market. The intent of this RFQ is to sell the securities DOI currently has invested in the Taiwan market totaling approximately \$22.8 million (in US Dollars) as of October 29, 2016. DOI intends to repatriate the monies.

II. MINIMUM REQUIREMENTS

1. Bidder(s) must be authorized to act as a tax advisor/agent on behalf of foreign clients who invest in the Taiwan market.
2. Attached to these specifications is a Price Sheet containing five (5) line items for tax agent services. Bidder(s) must bid all lines (1-5) in order to be eligible for a contract award. Price lines will remain in effect for the term of the contract and any additional allowable extensions.

III. PROPOSAL SUBMISSION

Emailed proposals are preferred. Proposals can be emailed by the deadline listed on the cover sheet to the following email address:

Gina.Costello@treas.nj.gov

An original and three (3) copies of each proposal may be sent by mail and must be marked "Foreign Tax Agent Services RFQ - Taiwan" and addressed to: Gina Costello

Proposals must be received by the deadline on the cover sheet to the following address:

Overnight Mail
NJ Division of Investment
Department of the Treasury
50 West State Street, 9th Floor
Trenton, NJ 08608
Attn: Gina Costello

Regular Mail
NJ Division of Investment
Department of the Treasury
P.O. Box 290
Trenton, NJ 08625-0290
Attn: Gina Costello

NOTE: In order to be awarded a contract with the DOI, all required forms listed in Section XI Forms, Subsection 1 must be completed and submitted with the proposal.

All documents/information submitted in response to this solicitation shall be available to the general public as required by the New Jersey Open Public Records Act N.J.S.A. 47:1A-1 et seq.

Communications with representatives of the State concerning this request by you or on your behalf are not permitted during the submission and selection processes.

No telephone inquiries will be accepted. All inquiries concerning this request should be directed in writing to: Gina.Costello@treas.nj.gov

The State will not be responsible for any expenses in the preparation and/or presentation of the proposals and oral interviews or for the disclosure of any information or material received in connection with the solicitation, whether by negligence or otherwise.

The State reserves the right to reject any and all proposals, with or without cause, and waive any irregularities or informalities in the proposals. The State further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all firms submitting proposals. In the event that all proposals are rejected, the State reserves the right to re-solicit proposals.

IV. GENERAL INFORMATION

The DOI was created by the New Jersey Legislature in 1950. An important objective of the statute creating the DOI was to centralize all functions relating to purchases, sales or exchanges of securities for the State's diverse funds under experienced and professional management.

As of October 7, 2016, total assets under DOI management totaled approximately \$72.94 billion (unaudited), which is comprised of the State's Pension Funds, Cash Management Fund, and various other funds. The DOI manages the assets of the Pension Funds through the use of common funds.

In addition to the common funds, DOI is responsible for managing the Supplemental Annuity Collective Trust (SACT), a portion of NJBEST (the State's 529 plan), and a portion of the Deferred Compensation Plan (DCP). The

same statute that created the DOI (PL 1950, c.270) also created the State Investment Council (“the Council”) to formulate policies governing the investment of funds by the Director of DOI, and to consult with the Director with respect to the work of the Division. New regulations adopted by the Council are filed with the Office of Administrative Law and published in the New Jersey Register for public comment prior to adoption.

Implementation of investment policies is vested in the Director of the DOI. The Director is subject to the standards of prudent investment set forth in N.J.S.A. 52:18A-89.

Currently, the legal entity that will invest in the Taiwan securities market is Common Pension Fund D. Common Pension Fund D has six subaccounts: two subaccounts have transactions that are executed internally; four subaccounts have external advisers who execute transactions on Common Pension Fund D’s behalf.

V. SCOPE OF SERVICES

1. Application / Registration

- a. Contractor shall prepare and file all applicable registration forms or applications with the local government.

2. Tax Compliance

- a. Contractor shall maintain details of and prepare statements for tax compliance for the purchases and sales of Taiwan securities made by DOI, including exchange traded derivative contracts and shares underlying GDRs and ADRs, and for dividends and interest received from companies and the tax payable thereon.
- b. Contractor shall issue reports to DOI's custodian regarding taxes payable.
- c. Contractor shall issue reports to DOI's custodian regarding exempt dividends.
- d. Contractor shall work with DOI's custodian to facilitate the payment of applicable taxes.

3. Tax Filing, Assessment, and Proceedings

- a. Contractor shall file DOI's income tax registration.
- b. Contractor shall prepare the Taiwan income-tax return for DOI's review and shall submit the approved tax return to the appropriate Taiwan tax authority.
- c. Contractor shall initiate and complete the process to reclaim all excess taxes paid on behalf of DOI.
- d. Contractor shall review tax assessments issued to DOI and advise on appropriate and necessary actions for any assessment or non-assessment notices.
- e. At the direction of DOI, Contractor shall make representations before the appropriate authority for any tax assessment.

- f. Contractor shall work with DOI's custodian to facilitate the payment of applicable taxes.

4. Appeal Proceedings

- a. Contractor shall assist in the preparation of any appeal filings for DOI's review and shall submit appeal filings to the appropriate authority.
- b. At the direction of DOI, Contractor shall make representations before the appropriate authority for any appeal.
- c. If necessary, and at the direction of DOI, Contractor shall assist in the appointment of counsel to represent DOI before the authorities.

5. Reporting

- a. Contractor shall calculate income and tax liability for the subaccount and issue reports based on that calculation to DOI. Reports shall be issued by the 4th business day following the end of each month. Reports shall be issued electronically, via email or electronic account access.

VI. TECHNICAL PROPOSAL

1. Identify any existing or potential conflicts of interest, including the firm's representation of parties or other relationships that might be considered a conflict of interest, that may affect or involve this assignment or the State of New Jersey.
2. Provide an executive summary of not more than three pages identifying the firm's approach and plans to provide the requested services and substantiating why the firm is best qualified to provide the requested services. Please address what it is that the firm offers to the State that competing firms cannot.
3. Provide a description of resources of the firm (i.e., background, location, experience, staff resources, financial resources, other resources, etc.). Illustrate the software programs used to track transactions and whether information is available by individual accounts or only in the aggregate.
4. Indicate the number of years the firm has been providing the services and how many clients are currently serviced by the firm. Further indicate the experience of the professionals who would be assigned to the engagement.
5. If the firm, or any principal, director or officer thereof, is now or has in the last three years been a defendant in any litigation involving a sum of \$100,000 or more, the subject of any professional disciplinary action, and/or is or has been the subject of any investigation by any regulatory body, the proposal must provide a description of any such investigation, litigation and/or disciplinary action.
6. Provide the name and address of the firm, the name, telephone number, fax number, and e-mail address of individual or individuals responsible for the preparation of this proposal who may be contacted in the event of questions or notification, and the location of the office, if other than that shown above, at which the services to be provided hereunder will be performed.
7. Submit a Price Sheet in the form attached detailing the fees for each of the Price lines listed.

VII. SELECTION PROCESS

All proposals will be reviewed to determine responsiveness. Non-responsive proposals will be rejected without evaluation. Responsive proposals will be evaluated by an Evaluation Committee. The following evaluation criteria categories, separate or combined in some manner, and not necessarily listed in order of significance, will be used to evaluate proposals received in response to this RFQ.

- The firm's approach and plans to perform the services required by the Scope of Services contained in this RFQ.
- The firm's documented experience in successfully completing contracts of similar size and scope to the services required by this RFQ.
- The qualifications and experience of the firm's personnel assigned to the engagement, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to the services required by this RFQ.
- The overall ability of the firm to mobilize, undertake and successfully complete the contract. This judgment will include, but not be limited to the following factors: the resources of the firm; the number and qualifications of management, supervisory and other staff proposed by the firm to perform the services required by this RFQ; the availability and commitment to DOI of the firm's management, supervisory and other staff proposed; and the firm's contract management plan.
- The firm's cost proposal.

VIII. FEES:

Prices shall remain in effect for the duration of the term of the contract and for any mutually agreed upon contract extensions. The State reserves the right to negotiate final price with the Contractor selected to provide the requested services.

IX. TERM

The initial term shall be no longer than a one-year period, commencing upon contract award and terminating upon the repatriation of the money. The term may be extended by up to one additional one-year period, by the mutual written consent of the Contractor and the DOI, at the same terms, conditions, and pricing at the rates in effect at the end of the last year of the Contract or rates more favorable to the State.

X. FIRM SELECTION AND CONTRACT

The State will select the proposal(s) deemed most advantageous to the State, price and other factors considered.

The contract between the State and the firm(s) shall be comprised of this RFQ, any clarifications thereof, the firm(s) response thereto, any changes negotiated by the parties and the documents listed in Section XI Miscellaneous. Such contract can only be modified in a writing signed by the parties.

XI. FORMS

1. Forms Required with Proposal

The documents listed below must be completed and submitted with the bid proposal.

- a. Ownership Disclosure
- b. Disclosure of Investment Activities in Iran
- c. Disclosure of Investigations and Other Actions Involving Bidders
- d. Subcontractor Utilization Plan

2. Forms Required Before Contract Award

The documents listed below must be completed and submitted prior to contract award.

- a. Waivered Terms and Conditions for Services Contracts
- b. Source Disclosure Certification Form
- c. MacBride Principles and Northern Ireland Act of 1989
- d. Affirmative Action Employee Information Report
- e. Chapter-51 Certification and Disclosure For

- f. Contractor Certification - Public Law 2005, Chapter 271
- g. Set-Off for State Tax
- h. Proof of Liability Insurance Certificate
- i. NJ Business Registration

Forms can be downloaded from the Department of Treasury website:
<http://www.state.nj.us/treasury/doinvest/rfp.shtml>

XII. MISCELLANEOUS

Notice to Bidders and Contractors Regarding P.L. 2012, c. 4.

“Organ and Tissue Donation: As defined in section 2 of P.L. 2012, c. 4 (N.J.S.A.52:32-33), contractors are encouraged to notify their employees, through information and materials or through an organ and tissue awareness program, of organ donation options. The information provided to employees shall be prepared in collaboration with the organ procurement organizations designated pursuant to 42 U.S.C. §1320b-8 to serve in this State.”

PRICE SHEET

NOTE: The legal entity that has invested in the Taiwan securities market is Common Pension Fund D. Common Pension Fund D has one subaccount that holds the security.

1. Application/Registration-----\$_____
2. Tax Compliance-----\$_____
3. Tax Filing, Assessment, and Proceedings-----\$_____
4. Appeal Proceedings----- \$_____
5. Reporting-----\$_____
6. Other (please provide specific details)----- \$_____