

**Date: 13 OCTOBER 2023**

**Dear Tenderer**

**ADDENDUM NO: 1**

**RE: TO APPOINT SUITABLY QUALIFIED SERVICE PROVIDERS TO CONDUCT INVESTMENT VALUATIONS FOR A PERIOD OF THREE YEARS FOR THE INDIRECTLY HELD PORTFOLIO, BID NO: PICPROP002/10/2023.**

**NOTE:**

kindly note that Addendum No.1 In terms of the Tender, issued by Public Investment Corporation on the 8<sup>th</sup> of October 2023 on Sunday Times and City Press and subsequent tender document uploaded on PIC website on the 10<sup>th</sup> October 2023 herewith please find below additional scope of work for **Securities/Collateral Valuation** for the subject project, which shall form part of the submission when the tender closes.

The document is an additional and will not supersede the initial scope of the tender document. The tenderer shall compile his tender in accordance with the inclusion of the Collateral valuation as part of the tender including any Addendums issued.

The onus is on the Tenderer to check the PIC website for any addendums for correctness and completeness.

**Scope of Works – Securities/Collateral Valuation**

To perform a review of loan agreements, other related agreements (e.g. pledge and cession documents) and to undertake the valuation of all securities and/or collateral on the secured loans in the PIC Indirectly Held Properties Portfolio. **It is therefore compulsory for the bidder to quote for the investment and the applicable pledged securities which relates to the investment, and thus not one in isolation.**

Pledged Securities - Pledged Securities means any promissory notes, stock certificates or other securities included in the pledged collateral, including all certificates, instruments or other documents representing or evidencing any pledged collateral.

Collateral - Collateral can refer to movable/immovable assets and tangible/intangible assets; something that has monetary value and has been pledged or bonded under a security document to the PIC's Client in support of a loan granted.



Examples of the above include but not limited to; cash, machinery, plant and equipment, inventory, land and buildings, listed equity instruments, enforceable claims such as accounts receivable, other rights such as copyrights, patents, trademarks, or an assumption such as goodwill.

### **Scope Overview**

- Understand contractual agreements of all debt instruments backed by collateral in the indirectly held properties portfolio.
- Perform a detailed review of all the collateral as well as document the valuation methodology used and the reason it was selected.
- Perform the valuation in accordance with RICS Red Book 2020 and International Valuation Standards where applicable, for each of the collateral annually and bi-annually biannually when requested.

### **Deliverables**

- A valuation report which must include executive summary of the key findings.
- Electronic submission of referenced working papers used to complete the valuation and relevant supporting documents which have influenced assumptions used.
- Presenting the valuations to the different committees of the PIC and the clients committees.