



**REQUEST FOR PROPOSAL (RFP)**

**FOR A**

**NOMINATED ADVISOR,**

**SPONSORING STOCKBROKER,**

**AND / OR REGISTRAR**

**FOR THE FACILITATION OF LISTING OF CYTONN INVESTMENTS MANAGEMENT PLC BY  
INTRODUCTION IN THE GROWTH ENTERPRISES MARKET SEGMENT (GEMS) OF THE  
NAIROBI SECURITIES EXCHANGE (NSE)**

**CYTONN INVESTMENTS**

**3RD FLOOR, LIAISON HOUSE, STATE HOUSE AVENUE,**

**P.O. BOX 20695 – 00200**

**NAIROBI – KENYA**

## SECTION A: Introduction

Cytonn Investments is an independent investment management firm, with offices in Nairobi - Kenya and Washington D.C. Metro - U.S. We are primarily focused on offering alternative investment solutions to global and local institutional investors, individual high net-worth investors, and diaspora investors interested in the East-African region. Our investments are in real estate and private equity.

Real estate investments are made through our development affiliate, Cytonn Real Estate, where we currently have over Kshs. 82 billion of projects under mandate across ten projects. In private equity, we invest in banking, insurance, hospitality, education and technology. Cytonn Education Services is our affiliate for making investments into the education sector, and Cytonn Technologies our affiliate for making investments into the technology sector. Our financial services investments are made through our Cytonn Quoted Private Equity arm, which focuses on investments across Sub-Saharan Africa.

In line with Cytonn's growth plans, and a continued effort to hold ourselves to the highest standards of corporate governance and transparency, Cytonn Investments, and our legal advisors KN Law LLP and Oraro & Company Advocates, invite proposals from eligible candidates for provision of Nominated Advisory Services, Sponsoring Stockbroker Services, and/or Registrar Services in the facilitation of listing Cytonn Investments Management Limited by introduction on the Growth Enterprises Market Segment (GEMS) of the Nairobi Securities Exchange (NSE).

### **Deadline for Submission of Proposals**

The proposal documents should be submitted in soft copy through the email address [listing@cytonn.com](mailto:listing@cytonn.com), no later than on **29<sup>th</sup> September 2017** by 5:00 PM. The subject of the email should be written as follows:

#### **TENDER FOR PROVISION OF ADVISORY SERVICES**

Any additional information or clarification can be addressed to [listing@cytonn.com](mailto:listing@cytonn.com) or +254 709 101 000. Cytonn Investments is not bound to accept the lowest or any proposal.

## SECTION B: Purpose

The purpose of this "Request for Proposal" (RFP) is to invite proposals from a firm representing a team of professionally qualified and experienced advisors (hereinafter called "Advisors") to provide the following services: (i) Nominated Advisory, (ii) Sponsored Stockbroker Services, and/or (iii) Registrar Services to Cytonn Investments Management Plc (the "Client"). The submitted proposal may be for either of the advisory roles, or for all roles. The Advisors will work with the Client on listing Cytonn Investments Management Plc by introduction on the Growth Enterprises Market Segment (GEMS) of the Nairobi Securities Exchange (NSE).

The Client will review the proposals based on an evaluation of the following criteria: qualification to offer respective advisory services, recent related advisory experience, qualification and experience of the advisory team, proposed approach by the applicant towards the offering, the schedule for completion of the assignment, and a financial proposal to be made to the Client for the services provided by the Advisors.

### **Background**

- Cytonn Investments plans to list for the following reasons: to access capital from the capital markets, to continue to strengthen already existing investor confidence in the company, to

continue a process of increased transparency for Cytonn in the market, and to provide liquidity to shareholders as shares will be easily traded in the securities exchange, and,

- The Advisors should work towards seeing the listing process through to completion and gaining necessary approvals from the authorities involved.

## SECTION C: Terms of Reference for the Advisory Works

### Objective of the Advisory Services

The Advisors shall guide the Client by providing comprehensive services for listing Cytonn Investments on the GEMS of the NSE. The Advisors shall also contribute to the presentation of the final structure of the listing to the Client.

#### 1. Nominated Advisor

### Scope of Work

The Nominated Advisor will be expected to advise the Client on, but not limited to, the areas below:

#### Pre-Listing:

- i. Assess eligibility of the Client to list on GEMS;
- ii. Assess the Client's compliance status with the Capital Markets Authority (CMA) regulations;
- iii. Achieve a sound understanding of the Client and its business;
- iv. Oversee the due diligence process & ensure material issues arising are dealt with;
- v. Ensure the Client has sufficient systems, procedures & controls;
- vi. Provide an undertaking to the Nairobi Securities Exchange (NSE) confirming compliance;
- vii. Ensure that the information presented in the Listing Statement is accurate, complete and has no material omissions;
- viii. Ensure that the directors' statement of fact is properly founded and the directors' responsibility statement is based on sufficient inquiry;
- ix. Verification of documentation submitted to ensure it is complete and compliant with the eligibility and disclosure requirements for listing on the GEMS;
- x. Provide the NSE with any information or explanation in the required form and time limits;
- xi. Investigate and confirm that each director/ proposed director is fit and proper;
- xii. Ensure that 1/3 of directors have complied with the Directors Induction Program (DIP) prior to listing;
- xiii. Consider the effectiveness of the board as a whole & effect of any changes, considering the needs of the company and that it will be traded on a public market.

#### Post-Listing:

- i. Submit all documents to the NSE and ensure that they, and any announcements, are in compliance with the continuous listing obligations where applicable;
- ii. Preview all of the Client's prescribed reports to the NSE and CMA;
- iii. Brief all new appointments of the Board of Directors (BOD) of the Client under the listing requirements, other regulations and of their obligations to shareholders;
- iv. Ensure that directors who have not complied with the Directors Induction Program (DIP) post-listing do so within 6 months of listing;

- v. Ensure that all new appointments to the BOD of the Client complete the DIP within 6 months of appointment;
- vi. Preview the Client's periodic financial information announcements and other documentation;
- vii. Conduct regular reviews of the actual trading, financial and operational performance of the company to ensure appropriate disclosure of information to investors;
- viii. Attend all board audit committee meetings through the authorized representative;
- ix. Ensure that the Client understands its obligations under the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations;
- x. Monitor the trading activity in securities of the Client, especially when there is unpublished sensitive information in relation to the Client; and
- xi. Ensuring close periods are complied with by the Client.

## **2. Sponsoring Stockbroker**

### **Scope of Work**

The Sponsoring Stockbroker will be expected to, among others, provide the following services:

- i. Liaise with the Client in submission of the listing statement and application to the Authority and the Exchange for simultaneous review and approval;
- ii. Ensure that the Client complies with the documentation requirements under the listing rules provided by the Exchange;
- iii. Submit to the exchange, in a timely fashion, a letter of appointment, a Memorandum of Listing and a declaration in the form set out in Schedule 4 of the Listing Rules;
- iv. Provide to the exchange any information or explanation known to it in such form and within such time limit as the Exchange may reasonably require for the purpose of verifying whether the requirements under the Listing Rules are being or have been complied with by the Client;
- v. Facilitate communication between the Client, the Exchange and the Authority;
- vi. Ensure that the Client is guided and advised on the application of the listing requirements as prescribed by the Act and the regulations thereunder, as well as under the Listing Rules;
- vii. Ensure the correctness and completeness of all documentation submitted to the exchange and the Authority;
- viii. Carry out activities incidental to the application requested by the Exchange in relation to the listing, including briefings; and
- ix. Discharge its responsibilities with professional skill and due care.

## **3. Registrar**

### **Scope of Work**

The Registrar will be expected to, among others, provide the following services:

- i. Creation and maintenance of a share register;
- ii. Issuance of share certificates or shareholding statements;
- iii. Carry out shareholders correspondence management;
- iv. Give periodic reports on the progress of listing during the listing period;
- v. Perform an allotment of shares as specified in the listing statement and preparation of allotment schedules;
- vi. Generation of data in the agreed formats for posting of shares in the Client's CDS account;

- vii. Involvement in filing of periodic returns, statutory returns and other necessary returns with the relevant authorities, and share certificate immobilization; and
- viii. Planning and execution of Annual General Meetings (AGMs) of the Client following listing.

## SECTION D: Submission Requirements

### The Firm's/Consortiums Requirements

- a) A Certificate of Compliance from the Relevant Tax Authority;
- b) Proof of Physical address (a trade license);
- c) Taxpayers Registration Certificate of the firm;
- d) Audited financials for the last 3-years, if available;
- e) License / Compliance Certificate from the relevant regulatory authority;
- f) If available, a list of previous clients and their contacts as references.

The above documents must be submitted together with the proposals.

### Technical Proposal

Firms are required to submit a proposal giving attention to the following:

- a) A brief description of the firm/organization;
- b) An outline of recent experience on assignments of a similar nature. It will also be important to include a summary of the challenges experienced and how they were resolved;
- c) A description of the methodology to be used and work plan for performing the assignment. The Advisors are expected to demonstrate their capability in delivering these tasks smoothly as well as cover all the Client requirements needed;
- d) The list of the proposed advisory staff by specialty, the tasks to be assigned to each staff team members, and their timing;
- e) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal. Key information should include number of years working for the firm/entity and degree of responsibility held in various assignments during the last ten (10) years; and,
- f) Estimates of the total staff input (professional and support staff; staff time) needed to carry out the assignment, supported by bar chart diagrams showing the time proposed for each professional staff team.

### Financial Proposal

In preparing the financial proposal, Advisors are expected to provide all costs associated with the assignment.

The Advisors shall express their price in Kenya Shillings, while those in percentage shall be applicable in Kenya Shillings as well.

## SECTION E: Agreement

The Advisor selected to provide the above-referenced services will be expected to enter into a contract as denoted in Section G of this RFP.

#### SECTION F: Insurance

The Advisor shall provide their Professional Indemnity.

#### SECTION G: Contract and Incurred Cost

Cytonn Investments will not be liable for any cost incurred by the Advisor for any work performed through and including the execution of a contract for professional services, prior to the execution of a contract.

#### SECTION H: Completeness of the Submitted Proposal

The proposal shall address all items completely and thoroughly, and shall be signed by an officer of the firm authorized to bind the Advisor to its provisions.

#### SECTION I: Consultant Responsibilities

The Advisor shall be capable of providing all professional services as described under the Scope and to maintain those capabilities until notification that their proposal was unsuccessful. Exclusion of any service for the project may serve as cause for rejection.

#### SECTION J: Scheduled Dates

The Advisor shall provide their proposed work-plan, with timelines towards completion of the listing.

#### SECTION K: Confidentiality

It is understood that you/your firm understand that the business discussions between yourself, ourselves and our Client may contain sensitive and proprietary information and which shall need to be kept confidential at all times, other than where; the information is or becomes public knowledge (without fault of the Party concerned); or if and to the extent that information is required to be disclosed by a Party to a regulatory or governmental authority or otherwise by law (in which case that Party shall keep the other Party informed of such disclosure). This obligation is not limited in time, and shall continue even after these business discussions cease to exist. In addition, each Party shall use all reasonable efforts to ensure that its employees, agents and representatives (and those of its Affiliates) comply with these confidentiality obligations.

#### **Contact Details:**

For any clarifications and questions, please reach out to the below:

Stephanie Onchwati: Investment Analyst

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