

Invitation to Negotiate (ITN)

Florida Technology and Growth Investment Initiative
State Board of Administration of Florida

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Questions Deadline: *9/15/2008*
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Response Deadline: *10/6/2008*

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Do not contact SBA staff regarding this ITN. Direct all correspondence during the ITN process to the contact listed above.

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SECTION I – INTRODUCTION AND PURPOSE

A. Background

The State Board of Administration of Florida (hereinafter referred to as the “SBA” or the “Board”) is an agency of Florida state government that provides a variety of investment services to various governmental entities. These include managing the assets of the Florida Retirement System (FRS) Pension Plan (i.e., defined benefit plan) and a variety of other funds. The total market value of the FRS Pension Plan was approximately \$125 billion as of June 30, 2008. The SBA currently invests in seven asset classes: Domestic Equity, Foreign Equity (both developed and emerging markets), Fixed Income, Private Equity, Strategic Investments (includes Global Equity) and Real Estate.

A Board of Trustees governs the SBA. Comprised of Charlie Crist, Governor, as Chairman; Alex Sink, Chief Financial Officer, as Treasurer; and Bill McCollum, Attorney General, as Secretary, the Trustees have ultimate authority and oversight for the SBA’s overall strategy. All three of the Trustees of the Board are elected statewide to their respective positions as Governor, Chief Financial Officer, and Attorney General.

The Trustees delegate authority to the Executive Director, who serves at the discretion of the Trustees and is responsible for managing and directing all administrative, personnel, budgeting, investment policy and investment functions. The Executive Director manages 193 professional and administrative support staff. The management of the investments is conducted with the assistance of the Deputy Executive Director.

The Board of Trustees appoints six members to serve on the Investment Advisory Council. The Investment Advisory Council provides independent oversight of SBA’s funds and major investment responsibilities. The Council meets on an ongoing basis to discuss general investment policies and broad topics related to the general economic outlook.

The SBA provides investment management of assets of the Florida Retirement System (FRS) by acting as Investment Fiduciary for the Florida Retirement System Trust Fund. The Division of Retirement of the Department of Management Services, the administrative agency for the FRS Pension Plan, provides full accounting and administration of benefits and contributions for the FRS Pension Plan. The Division of Retirement initiates actuarial studies, recommends benefit and contribution changes, and proposes rules for the administration of the FRS. The State Legislature has the responsibility of setting contribution and benefit levels and providing statutory guidance for the administration of the FRS.

Senate Bill 2310 was signed by Governor Crist on May 21, 2008 and became effective July 1, 2008. In material part, the new law authorizes the SBA, consistent with its fiduciary duties, to invest up to 1.5 percent of the net assets of the Florida Retirement System Trust Fund in technology and growth investments of businesses domiciled in Florida or businesses whose principal address is in Florida.

1. The term "technology and growth investments" includes, but is not limited to, space technology, aerospace and aviation engineering, computer technology, renewable energy, and medical and life sciences.
2. "Life sciences" means the use of information technology, engineering, and biological and chemical sciences for the development and production of goods and services, including, but not limited to, drug development, medical implants and devices, bio-related diagnostic products, bioagriculture technologies, biosecurity, biofuels, and bio-related applications.

Further information on the SBA's responsibilities can be found at www.sbafla.com.

B. Purpose

The SBA is issuing this Invitation to Negotiate (ITN) for the purpose of soliciting responses from qualified general partners, managing members and separate account investment managers to manage certain private market fund strategies (the “Respondents”) and to provide specified ancillary services for the SBA.

The successful Respondent(s) will need to demonstrate exceptional credentials and expertise necessary to provide investment management services to the SBA. To be considered, each Respondent’s response must meet the standards and requirements set forth in Section IV, Response Requirements.

The SBA intends to enter into a contract with one (or more) Respondents selected. The final fee and the basis thereof will be determined during the negotiation process.

The issuance of this ITN is merely the beginning of the negotiation process. Alternate means of accomplishing the requirements specified herein, with reasonable assurance of satisfactory results, will be considered and may be accepted, at the SBA’s sole discretion, without further addendum to the ITN. The SBA may, in its sole discretion, enter into one or more contracts that include terms (including terms relating to pricing and services) that are materially different from the requirements of this ITN or the terms of any response submitted under this ITN. As a result, the SBA may consider any and all responses (including modifications to any response), any information obtained from interviews or on-site reviews (if any), the negotiations process between the SBA and one or more of the Respondents or information from any other source or alternative in determining whether to enter into one or more contracts and the terms and provisions of such contract. Any contract that shall serve as the agreement between the parties will be developed through the negotiation process.

The SBA may enter into negotiations with the Respondent(s) in order to achieve the most effective plan. The SBA reserves the right to negotiate concurrently or separately with competing Respondents any time after the short-listed Respondents, if any, are designated. The SBA reserves the right to accept portions of a competing Respondent’s response and use such portions to form an overall program and negotiate a contract incorporating such portions with another Respondent, in the best interest of the SBA. Furthermore, the SBA shall have the right to use any or all ideas or adaptations of the ideas presented in any response received pursuant to this ITN. Selection or rejection of a response will not affect this right. The SBA reserves the right to reject any and all responses or portions thereof. The SBA reserves the right to withdraw this ITN or a portion of this ITN without selecting a vendor. The right of the SBA to set aside submitted proposals and re-negotiate with its existing vendors is retained without exception.

C. Minimum Qualifications

Respondents must be able to affirmatively respond to each of the following statements in order to be considered for the award:

1. The Respondent must accept and enter into (i) an Investment Management Agreement in substantially the form set forth in Appendix I to this ITN (if the Respondent proposes to provide the services as a separate account investment manager) or (ii) a commingled vehicle agreement in a form to be provided by the Respondent but that includes terms and provisions relating to its duties and standard of care and representations, warranties and other covenants that are substantially similar to the terms in the form of Investment Management Agreement set forth in Appendix I (if the Respondent is a general partner or managing member that proposes to provide the services through a commingled vehicle), either only with such revisions that are acceptable to the SBA, in its sole discretion, and that will be negotiated in final form during the negotiation process unless the SBA elects otherwise, in its sole discretion.
2. The Respondent must agree (by written affirmation) to provide the services as detailed in Section II, as well as agree to all other requirements as stated in the ITN.
3. The Respondent's key professionals and the organization must disclose any current potential or perceived conflicts of interest with the staff of the SBA or the members of its Board of Trustees.

Respondents must further meet all of the following minimum requirements:

1. Five years of experience managing at least one or more of the following private market vehicles or strategies, as of June 30, 2008:
 - a. Venture capital funds
 - b. Growth capital funds
 - c. Lower middle market/middle market private equity funds
 - d. Infrastructure funds
 - e. Co-investment funds, or otherwise participating in private market investments consistent with those commonly associated with venture capital funds, growth capital funds, lower middle market/middle market private equity funds, or infrastructure funds
 - f. Private market debt funds or otherwise participating in or originating private market debt investments in companies that would receive equity investments through venture capital funds, growth capital funds, lower middle market/middle market private equity funds, or infrastructure funds
 - g. Structures utilizing any combination of the foregoing, including fund of funds or general partners making both fund and direct investments
2. \$100 million in total assets under management or total capital commitments raised as of June 30, 2008 in vehicles or strategies described in #1 immediately above. For groups forming joint ventures to provide the contemplated services, the SBA may aggregate assets or commitments, at the SBA's sole discretion.
3. Three years of live returns for any products the SBA deems relevant to the proposal, as of June 30, 2008. Longer periods of live returns are preferred.

SECTION II – SCOPE OF SERVICES

The SBA is seeking responses to this ITN from general partners, managing members and separate account investment managers to actively manage private market vehicles with the principal objective of making prudent equity and debt investments in technology and growth businesses domiciled in Florida or businesses whose principal address is in Florida.

Such investments will hereafter be referred to as the “*Florida Technology and Growth Investment Initiative*”, where:

1. The term "technology and growth investments" includes, but is not limited to, space technology, aerospace and aviation engineering, computer technology, renewable energy, and medical and life sciences.
2. "Life sciences" means the use of information technology, engineering, and biological and chemical sciences for the development and production of goods and services, including, but not limited to, drug development, medical implants and devices, bio-related diagnostic products, bioagriculture technologies, biosecurity, biofuels, and bio-related applications.

General partners, managing members and separate account investment managers may propose implementing all or a portion of the *Florida Technology and Growth Investment Initiative* through one or more of the following approaches:

1. Private equity-oriented investments consistent with those commonly associated with venture capital funds, growth capital funds, lower middle market/middle market private equity funds or sector focused infrastructure funds (e.g., funds that invest in cogeneration, desalination, ethanol, wind or solar infrastructure projects).
2. Private market debt-oriented investments in companies that could receive equity investments through venture capital funds, growth capital funds, or lower middle market/middle market private equity funds.
3. Co-investments.
4. Merchant banking arrangements.
5. Structures utilizing any combination of the foregoing, including fund of funds or general partners making both fund and direct investments.

The following guidelines and requirements will also apply:

1. To enhance diversification, a portion of the *Florida Technology and Growth Investment Initiative* may contain investments in technology and growth businesses that have a demonstrable and material Florida operational presence, but are not necessarily domiciled in Florida or whose principal address is in Florida.
2. General partners, managing members and separate account managers will be required to execute innovative proactive strategies to access successful deal flow through some or all of the following channels, which include but would not be limited to:

- a. Partnering directly with corporations or other business organizations or partnering through an intermediary to invest in assets or joint ventures and to co-invest in specific deals.
 - b. Partnering with commercial banks to make investments that leverage their expertise and networks.
 - c. Partnering with intermediaries such as middle market investment banks to access deal flow by participating in select investments.
 - d. Affiliating with regional trade and economic development agencies and universities and colleges, which augment deal flow and provide access to other resources.
 - e. Partnering with private equity firms to bring different skills/networks to bear on the *Florida Technology and Growth Investment Initiative*.
3. General partners, managing members and separate account managers will be expected to provide incentive based fees and make a meaningful capital commitment to invest alongside the SBA.
 4. Limited liability structures that facilitate non-SBA limited partners or participations by other investors may be required.

The SBA is committed to developing a best-practices program that is true to fiduciary requirements and embeds a process that is accessible, consistent, transparent and fair. Because of stringent Florida statutory fiduciary requirements, the SBA's program will not be a subsidized economic development program. Over multiple market cycles, the *Florida Technology and Growth Investment Initiative* is expected to provide investment returns commensurate with attendant risks (including illiquidity) and competitive with other comparable private market investments in the global financial markets that are otherwise available to the FRS.

All things being equal, the SBA encourages women and minorities, as defined in Section 288.703, Florida Statutes, to participate in this ITN process.

SECTION III – REQUIRED INFORMATION

The purpose of this section is to identify the information that should be submitted in a response to the ITN, and the order in which it should appear in the proposal response package. Each proposal response package should include the following, in the order listed below:

A. Cover Letter

The response shall contain a cover letter addressed to the designated contact identifying the Respondent's name and principal address. Provide the name, telephone number and email address of a person authorized to represent the Respondent regarding all matters related to the response. The letter shall explicitly affirm the following:

1. The Respondent has the current capability to provide the proposed services.
2. The Respondent has reviewed the minimum qualifications and meets the eligibility criteria set forth in Section I, subsection C of this ITN.
3. The Respondent has thoroughly reviewed the ITN.
4. The Respondent acknowledges and accepts all terms and conditions included in the ITN.
5. A person authorized to bind the Respondent to all commitments made in its proposal is the signatory of the letter.

B. Services Questionnaire

The Respondent shall complete and submit the Services Questionnaire attached hereto as Appendix II. When completing the questionnaire, the Respondent must give clear, concise, quantifiable replies to all questions, restating each question in bold face type and using no smaller than 12 point font, with its response directly below. The length of the response is at the discretion of the Respondent; however, responses are expected to be brief, to contain full and fair disclosure of essential elements, and should not be redundant or contain references to an appendix or attachment. Tables and graphs are exempt from the font requirement, but must be readable. Any omitted or incomplete responses may eliminate a Respondent from evaluation.

C. Service Requirements Affirmation Statement

The response shall include a signed copy of the Service Requirements Affirmation Statement attached as Appendix III.

D. Financial Information

The response shall include your firm's audited financial statements for the last three years. The financial statements must include the auditor's report and any management letters which have been issued.

E. Fee Proposal (Separate Document)

The response shall include a comprehensive incentive based fee proposal including the general partner, managing member or separate account manager's proposed capital commitment for the anticipated term of the contract.

Respondents are encouraged to provide the SBA with the most competitive price offered to large public institutions.

F. Revisions to the Investment Management Agreement or Form of Commingled Vehicle Agreement

The response shall include: (i) if the Respondent proposes to provide the services through a separate account investment manager, revisions to the Investment Management Agreement set forth in Appendix I of this ITN that the Respondent considers definitively as mandatory prerequisites to its ability and willingness to provide the services contemplated by this ITN or (ii) if the Respondent is a general partner or managing member that proposes to provide the services through a commingled vehicle, then a form of a commingled vehicle agreement that includes terms and provisions relating to its duties and standard of care and representations, warranties and other covenants that are substantively similar to the terms in the form of Investment Management Agreement set forth in Appendix I to this ITN with such revisions that the Respondent considers definitively as mandatory prerequisites to its ability and willingness to provide the services contemplated by the ITN.

SECTION IV – RESPONSE REQUIREMENTS

The purpose of this section is to indicate the terms and conditions that will govern the submission and review of responses to the ITN. The firm(s) selected to provide services, as part of the ITN process, will be required to enter into a contract with the SBA.

A. Completeness

A response must be complete as to all terms and conditions, including the appendices, on the date submitted. Additional information submitted after the response document or separate from the response document will not be considered unless specifically requested by the SBA and then only to the extent requested. Incomplete responses may be eliminated from further consideration.

B. Requests for Modification of a Response

A Respondent to this ITN may withdraw and modify its response prior to the response deadline specified in E. below, only upon prior approval by the SBA. A request for modification of any response must be in writing and addressed to *Jim Treanor* at the delivery address set forth in G. below and must adequately explain the reasons for the request to modify the response. If the SBA approves the request, a modified response may then be submitted. The SBA will not consider modifications offered in any other manner, whether oral or written. Under no circumstances may the Respondent modify a response unilaterally at a date or time subsequent to the response deadline specified in E. below. The SBA may, however, permit any Respondent to modify its response after the deadline specified in E. below, if the SBA determines that such modification is in the best interests of the SBA or the participants or beneficiaries of any of the applicable funds managed by the SBA as contemplated by this ITN.

C. Respondent Guarantees

All terms and conditions submitted in response to the ITN (all parts) must be guaranteed to remain effective and may not be changed, amended, modified, qualified, or otherwise altered by the selected Respondent(s) for a period beginning on the date of the response filing deadline for this ITN, and ending at the conclusion of the contract. All fees and charges, as proffered in response to this ITN must be guaranteed for the term of the contract.

D. Requests for Clarification of the ITN

All questions regarding the clarification of any requirement, standard, or question in this ITN because of any ambiguity, conflict, discrepancy, omission or other error, must be received by the SBA no later than *5:00 p.m. ET on Date September 15, 2008*.

Requests for clarification should be sent via e-mail to *jim.treanor@sbafla.com*, or to the delivery address, as provided in G. below. Attention: *Jim Treanor*.

The SBA reserves the right to accept or reject any or all requests for clarification, either in whole or in part, and may require requests to be clarified or supplemented through additional written submissions. Respondents will be notified of the rejection of their request for clarification.

Oral requests for clarification will not be accepted.

Written requests for clarification accepted by the SBA, along with the corresponding responses, will be posted on the SBA website at www.sbafla.com, under “Vendors”. Respondents unable to download responses should direct their requests for hard copies via e-mail to jim.treanor@sbafla.com, or the delivery address, as provided in G. below, Attention: *Jim Treanor*. Such responses shall be considered an addendum to and, as such, an integral part of this ITN.

The SBA does not guarantee the validity or reliability of information obtained from other sources. If it becomes necessary to revise any part of this ITN, an addendum will be posted on the SBA website at www.sbafla.com under “Vendors,” and may be provided directly to the Respondents/Finalists. The Respondent is responsible for checking the website for any addendums or updates.

E. Response Deadline

All responses must include the completed items listed in Section III of this ITN. The response deadline for this ITN is *5:00 p.m. ET, October 6, 2008*. For the items listed in Section III, A, B, and C, submit eight (8) bound copies of your response, an unbound original document, and an electronic copy of your response on a CD in PDF format to the SBA and one (1) copy of the aforementioned documents to Wilshire Associates. For the items listed in Section III, D and E only three (3) copies are required to be submitted to the SBA and one (1) copy of the aforementioned documents to Wilshire Associates. Submit these responses to the premises of the SBA and the premises of Wilshire Associates at the delivery addresses as provided in G. below. Facsimile and electronic transmissions are not acceptable. All responses must be submitted in a sealed envelope or box and must be marked “ITN for Florida Technology and Growth Investment Initiative”. The SBA accepts no responsibility whatsoever for failure to deliver or late delivery by postal or commercial courier services. Failure by the postal or commercial courier services to meet the response deadline may result in disqualification.

In addition, the firm must e-mail a complete electronic version of its response to Wilshire Associates at mgrsearch.neill@sm.wilshire.com and to the SBA at jim.treanor@sbafla.com. Data should be submitted in Excel workbook formats and in the body of the response document. Electronic files submitted to Wilshire Associates must be submitted in a .zip extension file with the firm’s name in the filename.

F. SBA Not Liable for Respondent’s Cost

The SBA shall not be liable or responsible for any costs incurred by any Respondent for preparing and submitting any response to this ITN, conducting any oral presentation or hosting any on-site visit, or for any other activities or occurrences related in any way to this ITN on or prior to the issuance of a contract. The SBA shall pay all costs incurred by the selected Respondent(s) after the issuance of the contract in accordance with the applicable compensation schedule as agreed upon by the SBA and the successful Respondent(s). The SBA will not pay expenses and costs incurred outside the scope of the applicable compensation schedule.

G. Delivery Address

Jim Treanor
State Board of Administration of Florida
1801 Hermitage Boulevard, Suite 100
Tallahassee, Florida 32308
Email: jim.treanor@sbafla.com

Wilshire Associates
1299 Ocean Avenue
Santa Monica, CA 90401
Attn: Eileen Neill
Email: mgrsearch.neill@sm.wilshire.com

H. Respondent's Responsibility

Each Respondent should familiarize itself with the service requirements and the work to be performed before submitting a response. All responses shall remain valid for at least 180 days from the date of submission.

I. Oral Presentation

Respondents that submit a proposal in response to this ITN may be required to give an oral presentation(s) of their proposals to the SBA. Should oral presentations be entertained, each selected Respondent will be given an opportunity to clarify or elaborate on its proposal, but will not be intended to change the Respondent's original written submission. The SBA will determine the occurrence, date, time, and location of such presentation(s) if needed.

J. Disclosure of Response Contents

All material submitted by Respondents shall become the property of the SBA and will not be returned. Responses submitted may be reviewed and evaluated by persons designated by the SBA, in its sole discretion. Each Respondent understands and agrees that all documents and records made and received by the SBA in connection with this ITN or any official business of the SBA are public records and must be furnished and disclosed to any person under a request to inspect or copy such documents or records, pursuant to Chapter 119, Florida Statutes. If information is provided that could reasonably be ruled a "trade secret" as defined in Section 812.081, Florida Statutes, include such information in a separate attachment clearly marked – "Trade Secret Information – Financial Advisor." Include a table of contents within this attachment with a detailed listing of and explanation for EACH item marked as a "trade secret." Designation of items as "trade secrets" by Respondents is not dispositive and does not guarantee that the items will not ultimately be disclosed pursuant to Chapter 119, Florida Statutes. Florida places a high priority on the public's right of access to governmental meetings and records. By submitting a response, each Respondent further understands and agrees that the SBA shall have the right to use any and all information, records, documentation, or items, including any derivation or adaptation thereof or knowledge gained thereby, presented by any Respondent in any response, during any oral presentation, or otherwise in connection with this ITN in negotiating and entering into any contract or for any purpose. The SBA shall have such rights regardless of whether the SBA enters into any contract with such Respondent or any Respondent

under this ITN, successfully negotiates any contract with any Respondent, rejects any or all responses to this ITN, amends or withdraws this ITN at any time, or otherwise satisfies its objectives through alternative means.

K. Right to Amend and/or Withdraw

The SBA, in its sole discretion, reserves the right to amend or withdraw this ITN at any time and for any reason. Issuance of this ITN in no way constitutes a commitment by or obligation of the SBA to enter into any contract, and the SBA may, in its sole discretion, reject all responses to this ITN or any reason whatsoever.

L. Rejection of Responses

The SBA will be the sole judge of the Respondent's responsiveness to the ITN and reserves the right to reject, in whole or in part, any or all responses, with or without cause, without incurring any liability whatsoever. The SBA may also waive any material or immaterial defect in a response or deviation from the requirements of this ITN. Any waiver exercised under this section will not modify any provision of this ITN.

M. Contract Execution

After selection of the short-listed Respondents, the SBA will enter into contract negotiations with one or more of such Respondent(s) to finalize fees, services and, in the discretion of the SBA, other contractual terms. This ITN and the selected Respondent(s) response(s), or any part thereof, may be included in and made a part of the final contract. The resulting contract and all attachments shall be considered a public document.

N. False or Misleading Statements

Any response which contains false or misleading statements, or which provides references which do not support an attribute, condition, or capability claimed in the response document, will not be considered by the SBA if, in the opinion of the SBA, such false or misleading statement was intended to mislead the SBA in its evaluation of the response.

O. Collusion

By responding, the Respondent represents that the response is not made in connection with any competing Respondent submitting a separate response to the ITN and is in all respects fair and without collusion or fraud. It is further represented that the Respondent did not directly or indirectly induce any party to submit a false or sham response or to refrain from responding. In addition, the Respondent represents that it did not participate in the ITN development process, had no knowledge of the specific contents of the ITN prior to its issuance, and that no employee of the SBA participated directly or indirectly in the Respondent's response preparation.

P. Conflicts of Interest

The Respondent must disclose within its response whether any officer, director, employee, or agent is also a current or former employee of the SBA. All Respondents must further disclose any factors, financial or otherwise, known to them which may give rise to a conflict of interest between the Respondent and the SBA and its employees, or have the effect of impacting the ability of the Respondent to meet its responsibilities, duties, and obligations to the SBA, as set forth in this ITN.

Q. Quiet Period

The Respondent (its agents, officers, principals, and employees, including any individual assisting the Respondent in this process) will not engage in any written or verbal communication during the “selection period” (defined below) with the SBA (including the Executive Director of the SBA, the Evaluation Team, and any SBA employee, whether or not such individual or employee is assisting in the selection of the Respondent) regarding the merits of the Respondent, or regarding whether the SBA should retain or select the Respondent. An exception is given for the Procurement Manager and certain members of the Evaluation Team and Negotiation Team that may be designated by the SBA. Any unauthorized contact may, in the sole discretion of the SBA, disqualify the Respondent from further consideration. Normal business communications are allowed, however, for current SBA service providers who are also ITN respondents.

The Respondent will not engage in any lobbying efforts or other attempts to influence the SBA, the Executive Director of the SBA, the Evaluation Team, or SBA employees, in an effort to be selected. Any and all such efforts made by the Respondent or its agents, officers, principals, employees, or lobbyists will be disclosed to the Executive Director of the SBA within five calendar days of its becoming known.

The "selection period" for this ITN begins on *September 9, 2008* and will continue until the final selection has been announced or the selection process is otherwise concluded.

Nothing herein shall preclude the SBA from seeking clarification about the substance of the response to the ITN within the time frame as provided herein. Nothing herein shall preclude a Respondent from seeking a request for clarification as provided herein.

R. Further Instructions and Conditions

1. All responses to this ITN must conform to these instructions. Failure to conform may be considered appropriate cause for rejection of the response.
2. Terms and conditions of the ITN – Submission of a response indicates the Respondent’s acceptance of the conditions contained in this ITN, unless clearly and specifically noted in the response submitted and confirmed in the contract between the SBA and the Respondent selected.
3. Conformance with statutes – Any contract awarded as a result of this ITN must be in full conformance with statutory and other legal requirements of the SBA.
4. Timing and sequence – The timing and sequence of events resulting from this ITN will be determined solely by the SBA.
5. Oral agreements – Any alleged oral agreement or arrangement made by a Respondent with the SBA or any employee of the SBA shall be superseded by the written contract between the SBA and such Respondent.
6. Amending or canceling ITN – The SBA reserves the right to amend or cancel this ITN, prior to the due date and time, at its sole discretion.
7. Rejection for default or misrepresentation – The SBA reserves the right to reject the response of any Respondent that is in default of any prior contract, for misrepresentation or otherwise, as may be determined by the SBA, in its sole discretion.

8. Clerical errors in awards – The SBA reserves the right to correct inaccurate awards resulting from its clerical errors.
9. Respondent’s presentation of supporting evidence – A Respondent, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in its proposal.
10. Right to reject previous vendors – The SBA reserves the right to reject a response by a Respondent that has previously provided work to the SBA or whose personnel includes individuals previously rejected by the SBA for services.
11. Corrections and changes – Any corrections or changes to this ITN will be issued by the SBA, will be identified as a correction or change, and will be posted on the SBA website. Corrections or changes made in any other manner will not be binding. It is the responsibility of the Respondent to obtain all corrections and changes.
12. Dispute Resolution – The contract shall not include binding arbitration provisions, such as those typically found in Alternative Dispute Resolution Procedures, or waiver of right to trial by jury.
13. Respondent’s Credentials – The SBA may make such investigations, as deemed necessary, to determine the ability of the Respondent to perform the services specified in this ITN. The SBA reserves the right to reject any response if the evidence submitted by, or investigation of, the Respondent fails to satisfy the SBA that the Respondent is properly qualified to carry out the obligations of the contract.
14. Proposal Content and Format – In determining the capabilities of a Respondent to perform the services specified herein, the information required in this ITN must be provided by the Respondent and will be weighed by the Evaluation Team as indicated in the evaluation process. **(Note: Each requirement must be thoroughly addressed. Taking exception to any requirement listed in the ITN may disqualify the proposal.)**

SECTION V – EVALUATION CRITERIA

Criteria:

The responses to this ITN will be independently evaluated by an Evaluation Team, with assistance from Wilshire Associates, on the basis of the written responses to this ITN and additional written information as requested. Additionally, interviews and on-site reviews will be conducted and evaluated by the Evaluation Team if they are determined to be necessary, in the Evaluation Team’s sole discretion. The Evaluation Team will utilize the following broad scoring categories:

SCORING CATEGORY	WEIGHT
Qualitative factors (i.e., firm information, clients/assets, organization/people, philosophy & process, resources and deal flow).	40%
Historical performance.	25%
Proposed fees and Respondent’s capital commitment.	25%
Quality, clarity, and responsiveness of the response.	5%
Adherence to ITN requirements	5%
Total	100%

The Evaluation Team and Wilshire Associates will review the responses and assign a score for each category for each Respondent. The scoring by each member of the Evaluation Team and one score assessed by Wilshire Associates will be aggregated to establish an overall ranking by the Evaluation Team.

Using the scoring and evaluation process, the Evaluation Team may designate up to five firms as a short-list of Respondents. The Evaluation Team, in its discretion, may conduct interviews and/or on-site reviews of the short-listed Respondents. Commitments made by the Respondents at the interviews (if needed) will be considered binding. Upon designation of the short-listed Respondents by the Evaluation Team, the Negotiation Team may commence negotiations as contemplated by this ITN with any or all of the short-listed Respondents, either concurrently or separately, in the sole discretion of the Negotiation Team, to come to a mutual agreement with any such Respondent on its best and final contract price, service package and any other contractual terms as may be required by the SBA. During the negotiations, the Negotiation Team intends to evaluate service levels, fee proposals, terms of performance and other contract terms within the context of each Respondent’s complete response (i.e. written response, additional written information submitted by a Respondent, and interview), fee evaluation and any other information available to the Negotiation Team from any other source or alternative.

By the conclusion of the negotiations, the Negotiation Team will have obtained a “best and final” offer from each of the short-listed Respondents for presentation back to the Evaluation Team and Wilshire Associates. Each member of the Evaluation Team and Wilshire Associates will assess a final score for each short-listed Respondent based upon each Respondent’s written response to

the ITN, any additional written information submitted by a Respondent, the Respondent's initial score and ranking, interview, the "best and final" offer communicated to the Negotiation Team and/or any other information presented to the Evaluation Team from any source or alternative. The final scores (one for each member of the Evaluation Team and one for Wilshire Associates) will be aggregated to establish an overall final ranking by the Evaluation Team that demonstrates, in the judgment and discretion of the Evaluation Team, the one or more Respondent(s) who will provide the services in a manner that best meets the needs and requirements of the SBA. The Evaluation Team then may present the final scores and/or rankings to the Executive Director with a recommendation that the SBA enter into one or more agreements with one or more Respondent(s). The Executive Director shall have the sole authority, in his discretion, to determine whether the SBA will enter into any agreement with any Respondent and to make all final decisions regarding the matters contemplated by this ITN.

The SBA will not be required to select the lowest-cost Respondent.

SECTION VI – TIMELINE

The timeline of the search and evaluation process as currently planned (subject to change at the sole discretion of the SBA without liability) is as follows:

ITN Time Schedule and Deadlines (by 5:00 pm Eastern Standard Time)

<i>Issuance of ITN</i>	<i>September 9, 2008</i>
<i>Requests for Clarification</i>	<i>September 15, 2008</i>
<i>Responses to Requests for Clarification</i>	<i>September 22, 2008</i>
<i>ITN Response Filing Date</i>	<i>October 6, 2008</i>
<i>Selection of Short-Listed Respondent(s)</i>	<i>October 13, 2008</i>
<i>Interviews (if necessary)</i>	<i>Between October 16, 2008 and October 30, 2008</i>
<i>Final Selection by SBA</i>	<i>By December 12, 2008</i>

Note: The SBA reserves the right; in its sole discretion, to change the ITN Timeline. Changes will be posted on the SBA website under “Vendors,” and may be provided directly to the Respondents.