

Office of the Illinois State Treasurer
Michael W. Frerichs

Request for Proposals Custody and Safekeeping Services
for Program Deposits
370-500-19-017

Addendum 1
November 1, 2018

Below are the questions received by the Office of the Illinois State Treasurer (“Treasurer”) and the Treasurer’s responses. The questions listed herein are intended to be accurate representations of the questions received; as such, any errors in usage or spelling have not been corrected. Any capitalized terms that are not defined herein have the meaning set forth in the Request for Proposals Custody and Safekeeping Services for Program Deposits (370-500-19-017) (“RFP”) published by the Treasurer on October 19, 2018.

1. Regarding Section III.H – “Credit the appropriate Securities Account(s) on the payment date with the proceeds from all sales, maturities, principal, interest and any other payment types regarding the Property held in the Securities Account(s).” Please define “appropriate securities account.” Does this refer to crediting the State or the Depository Bank(s)?

Please refer to III.A Open Securities Account(s).

2. Regarding Section III.K – “Provide a document confirming receipt of Property within 5 business days of the transaction date.” Please define “document.” Is this Trust Receipt/Transaction Report?

A sample receipt/report, containing complete security and transaction detail should be provided in the response if that is the method the financial institution is utilizing for reporting.

3. Regarding Section IV.23 – “If publicly owned, please provide the number and percentage of members of the Respondent’s governance board who are female, minority, military veterans, or persons with disabilities.” Please define “governance board.” Do you mean Board of Directors?

Yes, Board of Directors, or any equivalent that may exist for any Respondent.

4. With regards to Section III H – do interest and principal payments to the securities account need to be handled separately?

Each security transaction should be noted separately in the account.

5. With regards to Section III I – are standard income interest and principal payments considered transactions/entry that need to be reported as part of the electronic notice?

The electronic files should only contain the delivery out or receipt in of a security. Principal and interest payments should not be included.

6. With regards to Section III J and L – please confirm if columns L through O of the electronic transmission record layout should reflect current par value or original face value?
 - a. If current par value, should standard principal pay downs be considered and included as daily electronic transactions?

Please provide original face for pool securities. If a system can only provide current face, principal and interest payments are not required in the daily transmission.

7. With regards to Section III M – does a monthly account statement satisfy this requirement or is a cover letter also needed?

A sample monthly account statement, containing all transactions for the month and a holdings list as of the last day of the month, should be provided in the response if that is the method the financial institution is utilizing for reporting.