



***New York State Insurance Fund
Procurement Unit***

March 15, 2018

The following (Q&A) will serve as Amendment #1 to NYSIF's Invitation for Bids (IFB) for a Mortgage Security Bond Calculator, bid number 2018-06-INV. Material in this Amendment supersedes any contradictory material in the RFP.

Please note that the due date for the submission of bids **remains unchanged**.

All bids are due 3/26/18, by 2:00 p.m.(eastern).

Sincerely,

A handwritten signature in black ink that reads "Alexandria Romano".

Alexandria Romano
Contract Management Specialist

Mortgage Security Bond Calculator

IFB # 2018-06-INV

Amendment 1

#	Question	NYSIF Response
1	<p>We would like to inquire about the mortgage bond calculator bid, in particular under Mandatory Requirements (II.1) item 5: Deals must be modeled solely within the system; no reliance on the 3rd party models.</p> <p>Our system satisfies all of the other requirements, but for the allocation of mortgage structured security collateral to various tranches, we employ an embedded cash flow engine supplied by a vendor partner of ours, Intex Solutions. This firm is the industry-leading provider of deal structures used extensively by the industry. Our components have been integrated since the 1990s and no work to integrate their component would be required by the users; however, a license to their ongoing deal database would be required.</p> <p>In your view, would our system meet the requirements under 5 given this information, and could we list Intex Solutions as a subcontractor for the purposes of this bid?</p>	<p>Per the Mandatory Requirement II.1.5., there should be no reliance on 3rd party models. No third-party licenses will be allowed.</p>
2	<p>Regarding Section II.6: Terms and Conditions Contract/Agreement Documents (Exhibit 1): We have a standard Software Licensing and Services Agreement (SLSA) that has been crafted to uniquely apply to our software and services, as well as provide the necessary protections for the customer, our business, and our vendors. As the service provider we are willing to entertain edits to the SLSA. Is NYSIF able to work off of our SLSA or will you require the use of Exhibit 1? If it's the latter, are the terms negotiable?</p>	<p>NYSIF will review and entertain edits of a vendor's SLSA during contract negotiations. However, NYSIF will require an Order of Precedence as outlined in Exhibit 1 and Section III.6. of the IFB. Exhibit A, Standard Clauses, cannot be modified or moved from its first order position in the Order of Precedence. Pending contract negotiations, a vendor's SLSA may be included in the Order of Precedence as a substitute for 'This Agreement' in the second position of the Order of Precedence as outlined in Section III.6. of the IFB.</p>
3	<p>Please see the following inquiry regarding Section II.1 of the above mentioned IFB: If possible can you clarify the specific mortgage asset classes in scope (i.e. RMBS/CMO, CMBS, ABS)?</p>	<p>Primary purpose is for RMBS/CMO sectors.</p>
4	<p>Section II.1, Qualification #2 – page 10 Is the requirement for a credit loss model and if so, is this mandatory/must-have?</p>	<p>For Agency CMO sector, credit loss might not be displayed as a stand alone but it has to be incorporated in overall speed projections.</p>
5	<p>Section II.1, Qualification #4 – page 10 How many new issue deals does NYSIF bid on over a given month? These new issue deals typically provide a CDI file, which is read and sourced by a provider like Intex – does NYSIF have a license with Intex in order to view and build off of these new issue deal files?</p>	<p>Mortgage calculator should not depend on any 3rd party systems for the deal modeling. No third-party licenses will be allowed. The number of deals that NYSIF can participate on can vary based on investment strategies including sector demand.</p>
6	<p>Section II.1, Qualification #5 – page 10 Are the “deals” referenced in this question related to the new issue files in Question #4, or is there the need to model non-structured new deals as well?</p>	<p>Refers to both new issue and the settled deals.</p>
7	<p>Section II.1, Qualification #8 – page 10 Does NYSIF plan to load & calculate analytics and cashflows for nonmortgage deals as well? This requirement seems to ask for a provider that can do multiple fixed income asset types in addition to mortgages and securitized deals.</p>	<p>The mortgage calculator focus is for mortgage related products.</p>
8	<p>Section II, General question The public results from Fixed Income Analytics RFP #2016-34-INV indicate awardee is BlackRock Solutions – does this mortgage bond calculator need to feed output analytics to BlackRock and/or a security master/internal database</p>	<p>The mortgage calculator will be a stand-alone system.</p>