



Request for Proposal
(RfP)
for the provision of
Statutory Audit Services
for the fiscal years 2023-2025

1. Introduction

1.1. The Hellenic Financial Stability Fund (HFSF or the Fund) was established in July 2010 (Law 3864/2010, as amended) and aims at supporting the stability of the Greek banking system by strengthening the capital adequacy of banks. HFSF support is provided in the form either of non-transferable preferred shares or common shares under the terms and conditions prescribed in the establishing law.

1.2. HFSF Information

Name: Hellenic Financial Stability Fund

Postal Address: 10 El. Venizelos Ave.

City: Athens

Postal Code: 10671

Country: Greece

Tel.: +30 215 5606 900

E-mail: info@hfsf.gr

1.3. Herewith, HFSF is requesting interested Audit Firms (the “potential Contractor”) to submit proposals for the provision of Services (as determined under article 2 below) (the “Tender” or the “RfP”).

1.4. The Cost of the Tender shall be covered by HFSF’s budget.

1.5. Proposals should be submitted in accordance with the requirements and procedures set out in this document. Based on the submissions, HFSF intends to select an audit firm with which it will sign a cooperation agreement (the Agreement).

1.6. The award and implementation of the Agreement is governed by HFSF’s Procurement Policy, and the rules and processes provided therein.

1.7. For the protection of your personal data kindly refer to the following link of our site <https://hfsf.gr/en/privacy-statement>.

2. Scope of Work – Description of Services

2.1. HFSF is interested in and requests the provision of the following services (“the Services”):

According to article 13, par. 3 of Law 3864/2010 as in force, the regular audit of the annual financial management of the Fund shall be conducted by qualified auditors or a recognized auditing office, according to the provisions of law 3693/2008, chosen by decision of the Board of Directors with the consent of the Minister of Finance. Pursuant to Article 44 par. 3 (f) of Law 4449/2017 the Audit Committee, inter alia is responsible for the selection process of statutory auditors, accountants or audit firms and proposes the statutory auditors, accountants or audit firms to be appointed in accordance with Article 16 of Regulation (EU) No 537/2014. The auditors shall enjoy full independence and shall report to the Board of Directors on any issue of financial management and audit.

Moreover, according to article 13, par. 2 of Law 3864/2010 as in force, within one (1) month from the publication of the annual and quarterly financial statements of credit institutions to the share capital of which the Fund participates or which the Fund funds, according to the provisions of the HFSF Law and L. 3601/2007, the Fund shall approve its annual and quarterly financial statements prepared in accordance with the International Financial Reporting Standards, and these shall be published on its website. A copy of the annual financial statements, together with the report prepared by the auditor, shall be sent to the Hellenic Parliament, the Minister of Finance, the Governor of the Bank of Greece, the European Commission, the European Central Bank, the European Stability Mechanism and the International Monetary Fund.

Further details can be found on HFSF’s website on which the Financial Statement are uploaded:
<https://hfsf.gr/en/investor-relations/financial-statements/>

To that extent, HFSF is interested to engage an audit firm to act as the statutory auditor of the Fund for the fiscal years 2023-2025, the last year of its duration based on article 2, par. 6 of L.3864/2010, as amended. In that context, HFSF requests the provisions of the following Services:

- Review of the HFSF’s interim condensed financial information, prepared under International Accounting Standard 34, as of and for the 6-month periods ending 30.06.2023, 30.06.2024 and 30.06.2025,
- Audit of the HFSF’s annual financial report, prepared under IFRS, as of and for the years ending 31.12.2023, 31.12.2024, 31.12.2025.

2.2. Furthermore, the method which will be applied is as follows:

The proposal shall contain the proposed approach to the assignment, a transition plan and experience of transitions of audit, the Standards that will be used in the audit/review, the scope and the materiality, a detailed and well-articulated audit plan, the methodologies that may be applied in the audit/review of certain lines of the HFSF's Financial Statements, the views on any specific technical issues related to HFSF, the way the findings are communicated to the Management Team as well as any interim deliverables (e.g. a planning and a closing presentation to the Audit Committee, Management letter) together with an indicative timetable.

2.3. The Services will be provided according to the following time schedule:

Award Notice /Start Contract Negotiation by 31st January 2023.

It is noted that prior to the Award Notice date, it will be requested by the potential Contractor to present its proposal to the decision bodies of the Fund (i.e. Audit Committee and/or Board of Directors).

Regarding the requested Services, it shall be noted that the reviewed Semi-Annual Interim Condensed Financial Statements are usually issued at the end of September of each year and the audited Annual Financial Report is generally issued at the end of June of each year. However, as mentioned under 2.1 above, this deadline may be extended in case of delay in the publication of the financial statements of the credit institutions to the share capital of which the Fund participates or which the Fund funds, according to the provisions of Law 3864/2010, as amended and L. 3601/2007.

3. Selection Criteria: Eligibility Criteria – Exclusion Grounds

3.1. Eligible to participate in the Tender are any natural or legal persons (in the case of an association of persons, its members) who are established in:

- a. A Member State of the European Union;
- b. A Member State of the European Economic Area;
- c. A third country which has signed and ratified the Agreement on Government Procurement (GPA), insofar as the Agreement falls within the scope of Annexes 1, 2, 4 or 5 and the EU-related general notes of Annex I to the GPA;
- d. A third country not falling under section (c) of this clause, which has signed a bilateral or multilateral agreement with the EU on matters relating to public procurement tenders.

The right to participate and the terms and conditions of participation as set out in the contract documents shall be examined at the time of submission of the offer and at the conclusion of the Agreement.

3.2. Any potential Contractor, who has been the subject of a conviction by irrevocable judgment for one of the following reasons, shall be excluded from this Tender:

- a. Participation in a criminal organization, as defined in article 2 of Council Framework Decision 2008/841/JHA of 24 October 2008 (OJ L 300 of 11.11.2008, p. 42) on the fight against organized crime;
- b. Corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union (OJ C 195 of 25 June 1997, p. 1) and Article 2(1) of Council Framework Decision 2003/568/JHA of 22 July 2003, on combating corruption in the private sector (OJ L 192 of 31.7.2003, p. 54) and in the applicable laws or in the economic operator's national legislation;
- c. Fraud, as defined in Article 1 of the Convention on the protection of the financial interests of the European Communities (OJ C 316 of 27.11.1995, p. 48), as ratified by Law 2803/2000 (GG A/48);
- d. Terrorist offences or offences linked to terrorist activities, as defined respectively in Articles 1 and 3 of Council Framework Decision 2002/475/JHA of 13 June 2002 on combating terrorism (OJ L 164 of 22.6.2002, p. 3) or for inciting, aiding or abetting, and attempting a crime, as defined in Article 4 thereof;
- e. Money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on prevention of the use of the financial system for the purpose of money laundering

and terrorist financing (OJ L 309 of 25.11.2005, p. 15), as transposed by Law 3691/2008 (GG A/166);

- f. Child labor or other forms of human trafficking, as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council of 5 April 2011 on preventing and combating trafficking in human beings and protecting its victims and replacing Council Framework Decision 2002/629/JHA (OJ L 101 of 15.4.2011, p. 1), as transposed by Law 4198/2013 (GG A/215).

The potential Contractor shall be also excluded from the Tender, if the person convicted by means of an irrevocable judgement is a partner, advisor, associate, counsel, member of its administration, management or supervisory body or empowered to represent the operator, make decisions on its behalf, or control its operations.

3.3. Any potential Contractor shall be excluded from the Tender if HFSF:

- a) is aware that the potential Contractor concerned has not fulfilled obligations relating to the payment of taxes or social security contributions for which a judicial or administrative decision has been taken which has the force of res judicata and is binding in accordance with the provisions of the country in which it is established or with national law; or
- b) can prove by appropriate means that the potential Contractor has failed to fulfill its obligations regarding the payment of taxes or social security contributions.

3.4. HFSF shall verify whether each potential Contractor has no conflict of interest concerning the project. The relevant declaration as to conflicts of interest will be in effect throughout the term of the Contractor's engagement.

4. Required Expertise

4.1. Level of technical and professional ability and/or experience required from potential Contractors for the participation in the Tender:

The proposal shall contain a description of experience, team structure, professionals' qualifications and experience, references and any other related information. This must include any team member that may be assigned to this project including their CVs. The external potential Contractors are also expected to appoint a Senior Representative (Audit Partner) to oversee the audit, communicate with the HFSF management and meet with the Audit Committee. An Audit Manager should also be in place to manage the audit process and the on-site team.

Moreover, each potential Contractor should include in the proposal the CVs of any experts from their technical offices abroad that they may need to use in order to ensure that any complex accounting issues, applicable to the HFSF, are appropriately treated and presented in the Fund's Financial Statements.

Finally, each potential Contractor should prove their experience in organizations similar to HFSF or in other entities with similar accounts like the ones presented in its Financial Statements and also confirm that it can deliver the requested services within the timetable provided.

5. Confidentiality

It is made clear that the potential Contractor, the core team individuals included, will be bound by the confidentiality undertakings provided in the HFSF Law as in force further to which the potential Contractor will be asked to execute the HFSF confidentiality agreement.

6. Award Criteria

The selection of the contractor will be made according to the criterion of the most economically advantageous offer, which shall be assessed on the basis of the following evaluation criteria:

1. **Experience:** Proof of relevant experience in accordance with International Auditing Standards in the audit of the sector and, in particular, in similar assignments in organizations like HFSF or other entities of the financial services sector with accounts similar to the ones of the Fund's Financial Statements. The above assignments should have been carried out independently and entirely by the potential contractors.
2. **Team:** Proposed team composition including relevant experience of the senior team members. Emphasis will be placed on the qualifications and experience of the Audit Partner and the Audit Manager assigned to the project.
3. **Proposed fee and expenses structure** for the term of the engagement as provided in clause 7.3.

The final evaluation and ranking of proposals of potential Contractors will be based on the following formula:

A. Technical Criteria: total score weight of 75%

Each potential Contractor will be assigned a score ranging from 1 to 4 for each of the two criteria i.e. Experience and Team.

Each of the two criteria "Experience" and "Team" will be assigned a weight of 50%. The total score of the technical offer will be the sum of each weighted criterion.

In particular, the criterion "Experience" will be rated as following:

- i. Experience in accordance with International Auditing Standards in the audit of the sector and, in particular, in similar assignments in organizations like HFSF or other entities of the financial services sector with accounts similar to the ones of the Fund's Financial Statements. The above assignments should have been carried out independently and entirely by the potential Contractors. – Score weight of 50%.

The criterion “Team” will be rated as following:

ii. team composition including relevant experience of the senior team members. Emphasis will be placed on the qualifications and experience of the Audit Partner and the Audit Manager assigned to the project. – Score weight of 50%.

B. Financial Criterion: total score weight of 25%

Each potential Contractor will be assigned a score ranging from 1 to 4 based on their Financial Offer. The lowest financial offer will be assigned a perfect score of 4 out of 4. All the other financial offers will be assigned a score adjusted for the percentage (%) deviation from the lowest financial offer.

7. Offer and Deliverables

7.1. The potential Contractor, taking into account the requirements in Clause 6, is expected to submit the following three (A, B and C) separate Dossiers protected with a password:

Dossier A (supporting documents)

- (i) a non-conflict statement signed by the potential Contractor’s legal representative. Such statement as to conflicts of interest will be in effect throughout the term of the Agreement;
- (ii) photocopies of the official identification documents of the potential Contractor’s legal representatives;
- (iii) a declaration signed by the potential Contractor's legal representative regarding the non-disclosure of confidential information;
- (iv) a solemn declaration signed by the potential Contractor’s legal representative declaring the non-existence of exclusion grounds; and
- (v) a declaration signed by the potential Contractor's legal representative regarding the fulfillment of the eligibility and/or award criteria.

Dossier B (technical offer)

- (i) a presentation on their understanding of the Services and the means to provide such Services;
- (ii) a table showing the potential Contractor’s technical and professional ability and experience in the above areas, proposed team structure, professionals’ qualifications and experience;
- (iii) core team CVs indicating explicitly the Audit Partner and the Audit Manager;
- (iv) their working assumptions, their proposed approach to the assignment and an indicative time schedule;

Dossier C (Financial Offer)

- (i) their financial offer in Euros (excluding VAT) (the “Financial Offer”) broken down per level of seniority and per service, including also the estimated associated expenses;
- (ii) a draft engagement letter for the provision of the Services as well as its terms of business including invoicing and payment terms;

In case the potential Contractor does not submit any of the aforementioned documents of any of the above dossiers A, B and C above, his proposal shall be deemed inadmissible and, thus, will be disqualified and excluded from this tendering process.

7.2. Fee

The fee is expected not to exceed the fixed amount of €50,000 (Euro fifty thousand) for the audit/review of each of the fiscal years 2023-2025, i.e. €150,000 (Euro one hundred and fifty thousand) in total.

8. Validity and Term

- 8.1. The submission date is 21st December 2022 – 18:00 GR time (“Submission Date”).
Proposals submitted after the aforementioned deadline shall be deemed inadmissible and, thus, immediately rejected. In the case of a late receipt, the Proposal shall not be evaluated.
- 8.2. The offer shall remain valid for a period of 3 months as of the Submission Date.
- 8.3. The terms for the provision of the Services will be up to the completion of the audit of the Fund’s Financial Statements as of and for the year ending 31.12.2025 when the Fund’s duration will expire according to the provisions of L.3864/2010, as in force.

9. Terms and Conditions

- 9.1. The Proposal must be submitted in English.
- 9.2. HFSF reserves the right to change, postpone or cancel any stage of the RfP process at any time and HFSF will notify the potential Contractor accordingly. HFSF also reserves the right to modify the scope of this RfP and the Services at any time. All relevant costs incurred by the potential Contractor or, in case of an association, by its members or, in case of a third party, by the latter shall be borne by the potential Contractor, the members of the association or the third party respectively.

The Tendering Committee initially opens the supporting documents - Dossier A. Then, the Tendering Committee opens and evaluates the technical offers - Dossier B submitted. The Tendering Committee at this stage may (but is not obliged to) invite potential Contractors for an interview with respect to their technical offers. The Tendering Committee then opens the Financial Offers – Dossier C only of the potential Contractors whose supporting

documents – Dossier A and technical offers – Dossier B have not been rejected. Afterwards, the Tendering Committee proceeds with the evaluation of the Financial Offers and prepares the list in which the potential Contractors are listed in order of ranking, based on their overall score in accordance with clause 6.

After notifying the sum of the lowest Financial Offer proposed to all potential Contractors who have submitted a valid Proposal the Tendering Committee shall invite those potential Contractors to submit Improved Financial Offers. It is noted that the technical offers of the potential Contractors may not be modified, and their score regarding the technical offer remains unchanged.

Following the submission and evaluation of the improved Financial Offers, the Tendering Committee draws up the list in which the potential contractors are listed in order of ranking based on the economically most advantageous offer, according to clause 6 and excludes the potential contractor which submitted the least advantageous offer.

After notifying the sum of the lowest Financial Offer proposed in the second round to the remaining potential Contractors which have submitted a valid Proposal, the Tendering Committee shall invite those potential Contractors to submit new further Improved Financial Offers without modifying their technical offers. Following the submission and the evaluation of the further Improved Financial Offers, the Tendering Committee draws up the list in which the potential Contractors are listed in order of ranking based on the score of their technical and Improved Financial Offer, according to clause 6, and excludes the potential contractor which submitted the least advantageous offer.

In the event of a tie due to equal scores the Tender Committee shall invite the potential contractors to submit further improved Financial Offers. The procedure will be repeated until three (3) optimum potential contractors are selected on the basis of the criteria of clause 6.

If any potential Contractor refuses to submit an improved Financial Offer, that potential Contractor's previous Financial Offer will remain valid and will continue to bind that potential Contractor.

The Contractor will be notified to the Minister of Finance in order for the latter to deliver his consent to HFSF according to art. 13 para. 3 of the amended HFSF 3864/2010 Law.

9.3. The content of the potential Contractor's proposal is considered binding for the potential Contractor during its validity period.

9.4. This RfP constitute an integral part of the Agreement and shall be annexed to it.

9.5. By submitting their proposal, the potential Contractors irrevocably accept all RfP terms and conditions and waive any right to review or challenge any decision taken by HFSF in connection with the RfP.

9.6. HFSF shall notify the award decision to all potential Contractors, except for the potential Contractor which will be selected. Furthermore, HFSF shall notify copies of all minutes drawn up during the tender selection and award procedure to any potential Contractor upon its request.

10. Agreement Performance Conditions

Throughout the term of the Agreement, the contractor must comply with all environmental, social security and labor laws and regulations applicable under EU Law, the Greek legislation, any collective labor agreements or international environmental, social and labor regulations, as listed in Annex X of Law 4412/2016.

Compliance of the contractor with these obligations shall be monitored and verified by the bodies supervising the implementation of the Agreement and by any competent public authorities and agencies acting within the scope of their powers.

11. Method of Payment

Contractor's payments shall be implemented as defined in the Agreement.

12. Communication

12.1. All offers, which will include Dossier A (supporting documents), Dossier B (technical offer) and Dossier C (Financial Offer), must be submitted by 18:00 GR time on the Submission Date (21st December 2022) via one email to the email address tendering_statutoryaudit@hfsf.gr. The email must contain three (3) separate password protected pdf files, each one corresponding to the Dossiers A, B and C. Following that and thirty (30) minutes later, i.e. by 18:30 GR time on the Submission Date (21st December 2022) a separate email must be sent to the email address tendering_statutoryaudit_passwords@hfsf.gr containing three (3) distinct passwords for each one of the password protected pdf files sent with the offer. Overdue offers will not be accepted.

12.2. Any question or clarification regarding the content of this RFP should be submitted in English via e-mail to the email address q&a_tendering_statutoryaudit@hfsf.gr. Responses will be provided via e-mail to the potential Contractor which posed the questions and will be communicated to all potential Contractors, without disclosing the identity of the entity having posed the question. HFSF shall designate a member of its staff and/or an external consultant to be responsible for handling all matters related to this RfP.



13. Judicial Protection

- 13.1. The award of a contract of value inferior or equal to the amount of €60,000 (sixty thousand euro) can be contested by means of an objection according to the provisions of art. 127 of Law 4412/2016 as applied in analogous way.
- 13.2. The award of a contract of value superior to the amount of €60,000 (sixty thousand euro) can be contested by means of an appeal according to the provisions of art. 360 ff. of Law 4412/2016.