



SRB – SINGLE RESOLUTION BOARD

Call for Tenders N° SRB/OP/1/2015

**PROVISION OF ACCOUNTING ADVICE, ECONOMIC & FINANCIAL
VALUATION SERVICES AND LEGAL ADVICE**

LOT 2 – Advice and Assistance on Economic and Financial Valuation

AWARD CRITERIA FOR THE FRAMEWORK CONTRACT

APPENDIX B

1. INTRODUCTION

The contract will be awarded to the tenderers who submit the most economically advantageous bid (those with the highest score) based on the quality criterion and their associated weightings:

2. AWARD CRITERIA FOR THE FRAMEWORK CONTRACT:

THERE ARE 3 CRITERIA FOR THE QUALITY OF THE PROPOSAL:

1. Quality criterion 1 Approach and methodology ($W_1 = 40\%$)
2. Quality criterion 2 Assignment Management ($W_2 = 20\%$)
3. Quality criterion 3 Resource Management & Retention ($W_3 = 10\%$)

and the price criterion and associated weighting:

4. Price of the bid ($W_{price} = 30\%$).

2.1. QUALITY CRITERIA (WEIGHTING 70%) LOT 2

The tenderer should provide a strategy document covering the following aspects.

Nr	Description of Quality Criteria	Weight
1	<p>Approach and methodology</p> <p>A technical note of the proposed methodology for delivering the services described in the scenario below must not exceed 4 A4 pages, minimum font size 11) minimum line spacing 1) with the filename "[Supplier Name] Lot 2:</p> <p>Scenario for Lot 2:</p> <p>The SRB has determined that the preferred resolution tool for the resolution of an entity is the "bail-in" tool. The institution has total consolidated assets of 200 EUR bn. and focuses on retail banking and loans to small and medium size enterprises. It owns 80% of its only subsidiary that conducts business in another participating Member State of the Banking Union. The institution is a listed company and prepares consolidated financial statements (IFRS). The institution covers the interest rate risk of the balance sheet with derivatives.</p> <p>The Bank Recovery and Resolution Directive (BRRD) requires when applying the bail-in tool, a valuation that complies with its Article 36. This valuation is crucial to calculate the amount by which eligible liabilities must be converted into shares or other types of capital instruments to restore the Common Equity Tier 1 capital ratio. The SRB intends to appoint an adviser to conduct the valuation.</p> <p>Estimated time to complete the report: 20 calendar days.</p> <p>Requirements</p> <p>The answer should include:</p> <ul style="list-style-type: none"> • A description of the proposed methodology and approach for delivering the services; • A description of the expected main areas of concern; • A description of the regulation to be taken into consideration when performing the services described; • A timeline describing the way the services will be completed and showing the different steps of the process; • A description of the anticipated interactions with the management and staff of the entity; • A description of the anticipated reporting to the SRB during the performance of the services; • A plan showing the allocation of resources, including the profiles of the resources involved in the process with clear indication of hours according to the described methodology and timeline proposed. <p>The tenderer must demonstrate the following <u>qualities</u> in its response:</p> <ul style="list-style-type: none"> • A deep understanding of the requirements by proposing a methodology that adequately takes into account the main concerns of the SRB; • Suitable quality assurance measures and control mechanism used to ensure that the advice and services provided are of a high quality; • Appropriate reporting procedures to guarantee the SRB is adequately informed; and • Ability to address potential uncertainties or challenges and approach to manage them effectively. 	40%

2	<p>Assignment management</p> <p>(The answer must be maximum 3 A4 pages, minimum font size 11).</p> <p>Successful tenderers should be able to work effectively with the SRB and, where required, the financial institutions whilst also maintaining their independence when providing their services.</p> <p>Please demonstrate how you will manage the individual assignments and the relationships with the SRB and the financial institutions to ensure that maximum benefit is delivered to the SRB. Your response should provide, as a minimum:</p> <p>a) A description of how your organisation will communicate with the SRB, their representatives and, where relevant, the financial institution, to ensure the correct functioning of both the individual assignments and the Multiple Framework Service Contract.</p> <p>b) A description of how you plan to ensure that the assignments are delivered on time and within budget.</p>	20%
3	<p>Resource Management and Retention</p> <p>(The answer must be maximum 2 A4 pages, minimum font size 11).</p> <p>The successful tenderers should have in place mechanisms and policies for managing and retaining high quality resources throughout the life of this Multiple Framework Service Contract. Please provide a description of the proposed approach, whereby your answer should provide, as a minimum:</p> <p>a) An outline of a resources plan analysing the level and type of resources to be used across the various components of your approach / methodology.</p> <p>b) A description of how you plan to ensure that (i) a high level of skills and expertise will be available for assignments for the duration of the Multiple Framework Service Contract and (ii) maximum benefit is delivered to the SRB.</p> <p>c) A description on how you manage key person risk.</p>	10%

3 AWARD CRITERION – PRICE (WEIGHTING 30%) LOT 2

Tenderers must provide hourly rates for the following profiles

Profile	Price per hour in EUR (including all expenses but excluding travel)
Partner	
Managing Consultant	
Principal Consultant	
Senior Consultant	
Consultant	
Junior Consultant	

The hourly rates that the tenderer commits to (during this procurement process) are the maximum rates that the successful tenderers will be able to charge under the Specific Contracts. Moreover, when quoting a price for the Specific Contract under the Multiple Framework Service Contract, contractors must not exceed the hourly rates specified in the table above but can offer discounts.

The hourly rate is a fixed price and shall include all direct and indirect costs excluding travelling costs.

Travel Expenses

As mentioned in point 3.3 "Place of work" of the Tender Specifications, services may be delivered in places outside Brussels.

Where additional travel is required as part of an assignment under the Specific Contracts, expenses must have prior written approval by the SRB and will only be paid upon production of valid receipts.

The SRB reserves the right to cap a maximum amount for such expenses that will be paid.

Any other specific expenditure incurred in performance of the contract must have prior written approval by the SRB and will only be paid upon production of valid receipts.

EVALUATION OF THE PRICE:

For evaluation purposes only, the below **scenario for the price of the team for hourly rates** will be used to compare the bids. The percentages reflect the estimated involvement of the various profiles in the team.

Total hourly rate price = ((price for a Partner * 10%) + (price for a Managing Consultant * 15%) + (price for a Principle Consultant * 35%) + (price for a Senior Consultant * 25%) + (price for a Consultant * 10%) + (price for a Junior * 5%))