



Procuring organization

Ríkiskaup
Indriði Waage

Procurement

Legal advisors for Icelandic State Financial
Investments
21353
Tender closing date: 3/8/2021 2:00 PM

Legend

- | | |
|---|---|
|  The text is included in the advert |  The text is included in the qualification |
|  The text will be part of the contract |  The text will be published in the contract catalogue |
|  The text/question contains requirements to be met |  The text/question contains ESPD requirements |
|  The question is weighted and included in the evaluation |  The question is weighted and included in the evaluation |
|  The question is asked for information only |  The question is answered by the buyer |
|  The question is marked for special follow-up | |

1. 21353 Legal advisors for ISFI

1.1 General terms and conditions of the Invitation to tender (ITT)

Ríkiskaup (Central Public Procurement) on behalf of Icelandic State Financial Investments (ISFI), id.no.: 620909-0170, and Íslandsbanki hf. (ISB), (hereinafter referred to as **the buyer**) id.no. 491008-0610, issues this invitation to tender no. 21353. ISFI manages on behalf of the Icelandic state 100% holding in ISB, 99.8% holding in Landsbankinn hf. and 49.5% holding in Sparisjóður Austurlands hf. in accordance with Act no. 88/2009 on Icelandic State Financial Investments. At September 20 2020, the book value of ISB's shareholder equity was 180.6 billion Icelandic krónur or 1.1 billion euros.

Provisions in Act no. 155/2012 on the sale process of the state's holdings in financial undertakings and the general budget for 2020 and 2021 authorize the commencement of a sale process for holdings in Íslandsbanki upon submission of a proposal by ISFI. On 17 December 2020 ISFI submitted a proposal to the Minister of Finance and Economic Affairs (the Minister) to sell shares in Íslandsbanki through an international initial public offering followed by a listing on a regulated domestic stock market (IPO), e.g. pursuant to Regulation S/Rule 144a. On 21 December 2021, the Minister submitted a report to the Budget Committee and the Economic and Business Committee of the Althingi, as well as requesting for the comments of the Central Bank of Iceland. The Central Bank of Iceland commented on 15 January 2021 and the committees delivered their comments on 20 January 2021. On 29 January 2021, the Minister decided that the sale process of Íslandsbanki should be initiated in accordance with the aforementioned report

by the Minister submitted to said committees.

In accordance with the decision to initiate the sale process, ISFI was asked, in consultation with the Ministry, to ensure that the offer structure and allocation rules would be in accordance with the following suggestions in the committees' comments, as far as possible, and any significant deviation from them should be based on satisfactory reasoning:

1. To promote increased competition in the financial market.
2. To ensure a disbursed and diverse ownership of Íslandsbanki.
3. To ensure that subscriptions for shares below a certain ISK amount (market value of one million ISK) will be fulfilled, if there is excess demand in the IPO.
4. That each bidder can only subscribe to a maximum holding, e.g., 2.5–3.0% of the bank's total share capital.
5. That the offer size will have a minimum and a maximum, e.g., in the range of 25% to 35%.

ISFI is also entrusted with exploring whether it is in accordance with the government's objectives of maximizing the benefits of ownership and sale of shares in Íslandsbanki that the bank pays dividends in excess of 3 - 4 billion ISK and if that is not recommended, to provide satisfactory reasoning for such conclusion.

ISFI and ISB are considering the joint hiring of a legal advisor in relation to an international initial public offering (IPO) of shares in ISB.

See further in technical specification/requirements specification.

1.1.1 Time schedule

The procurement is planned to be carried out in accordance with the following estimated schedule. All dates are subject to change. All changes will be announced to tenderers through the tendering system.

Please note that no formal opening meeting is held for this tender, as all communications and openings of tenders are made electronically.

Deadline for submitting questions relating to the tender documents	2/18/2021
Final date of responses to submitted questions	Three days after deadline to ask questions

Deadline for submitting a tender	2/26/2021 1:00 PM
Tender validity	5/27/2021

1.1.2 Contract divided in lots

Contract divided into lots: No

1.1.3 Tender documents

These tender documents have been prepared by Ríkiskaup and the contracting authority. Further clarifications and information regarding the ITT are a part of the ITT. Appendices are also part of the invitation to tender and by this tender the tenderer accepts all the terms and conditions of the invitation to tender and of the contract.

1.1.4 Delivery of tenders

Tenders shall be submitted electronically in this system at: <http://www.tendsign.is>

Bids must be submitted in the manner set out in the tender system and in accordance with the terms of the tender. The tenderer will receive a confirmation email when he has submitted a tender. If no mail is received, delivery has failed. In such cases, tenderers must contact TendSign's Visma service provider without delay. The tenderer is responsible for sending the tenders on time. Tenders are encouraged to start timely the submission of tenders.

1.1.5 Language

Tenders and the required accompanying documentation shall be submitted in English.

1.2 General terms of the tendering process

1.2.1 Acts of law and regulations



This invitation to tender is governed by the provisions of act No. 120/2016 on public procurement ("PPA") and by regulations based on that Act. In the event of any conflict between the text of the tender documents and the law, the law as stated shall govern. The act on public procurement can be found on the Alþingi website: <https://www.althingi.is/lagas/nuna/2016120.html> and in English on the Ministry of finance website: <https://www.stjornarradid.is/media/fjarmalaraduneyti-media/media/frettatengt2016/Act-on-Public-Procurement-No.-120-2016.pdf>

Decision on initiating a sale process and final sale and settlement of shares is governed by Act no. 155/2012 on the sale process of the state's holdings in financial undertakings. Tenderer shall confirm that he has read and understood the Act, see link here:

[Act no. 155/2012](#)

ISB has issued a Sustainability Policy. The tenderer shall confirm that he has read and understood the policy, see link here:

[ISB's Sustainability Policy](#)

Further, the tenderer shall fill in a Checklist for suppliers, see link here:

[Checklist for suppliers](#)

Following a procurement procedure, governing law of the agreement will be negotiated.

a. Tenderer shall confirm that he has read and understood Act no. 155/2012 on the sale process of the state's holdings in financial undertakings.

Yes/No. **Yes is required**

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b. Tenderer shall confirm that he has read and understood Íslandsbanki's Sustainability Policy.

Yes/No. **Yes is required**

Almennt sniðmát 2 ENGL...



c. Tenderer shall confirm that he has filled in Íslandsbanki's Checklist for suppliers.

Yes/No. **Yes is required**

Almennt sniðmát 2 ENGL...



d. Tenderer shall confirm that no conflict of interest exists, that would prevent the tenderer from independently providing the services he is tendering for.

Yes/No. **Yes is required**

Almennt sniðmát 2 ENGL...



1.2.2 Communication during tender period

If tenderer / participant has questions or comments, they must be sent through the portal.

In the event that the tenderer requests further information, or additional clarification of the ITT documents, or the tenderer becomes aware of inconsistencies in the documents that may influence the content of the tender and the tender amount, or tenderer has any observations

concerning the documentation he shall then submit an inquiry or observation through the portal no later than the date advertised in the tender documents as deadline for submitting questions.

Inquiries regarding this procurement shall be made in writing posted as a question in our supplier portal by date: 2/18/2021

All questions will be responded to anonymously and made available for suppliers registered in the portal. If this is not possible, questions and enquiries may be e-mailed to the project manager at Ríkiskaup.

1.2.3 Delivery of tenders



Tender shall be submitted electronically in this tendering system. Tenders shall be presented in accordance with the terms of the tender. Tenderers will receive a confirmation email when they have submitted a tender. If no mail is received, delivery has failed, in which case, please contact Visma Support.

Please note that electronic titles of documents may not contain special characters such as % & ?, etc.

Each file may not exceed 50mb.

If there is any inconsistency or arithmetic errors in the tender, Ríkiskaup may use as reference the unit price quote that appears in the tender sheets if an error is obvious and a correction does not upset the equality of the tenderers.

The tenderer shall state distinctly and unmistakably which legal entity/legal person is the tenderer and thereby responsible for the procurement in relation to the contracting authority. The tender shall also reveal which entity within the economic operator is responsible for communication with respect to the tender.

A tender shall be submitted by a person from the economic operator who is authorised according to law and according to the organisational structure of the economic operator to undertake a binding commitment on behalf of the economic operator.

If a tender is submitted under the authority of another party, the tenderer shall submit a special form to that effect.

Tenders shall be binding. Any reservation that a tender is not binding will result in the tender being considered invalid.

The tenderer confirms he has read the tender documents and agrees with his bid all the terms of the Tender

Yes/No. Yes is required

Almennt sniðmát 2 ENGL...



1.2.4 Presentation of tender

If there is any inconsistency or arithmetic errors in the tender, Ríkiskaup may use, as reference, the unit price quote that appears in the tender sheets if an error is obvious and a correction does not jeopardize equality of the tenderers.

1.2.5 Extension of validity of tender

When a contracting authority is not able to decide regarding tenders within the time limits for the tender it may be requested that the tenderers extend their tenders for a short period of time. The condition to this is that all participants agree to this procedure, that there are reasonable grounds which justify such extension. Under the same condition it may be requested, after the time limit for the tender has expired, that the tenderers announce that their tenders have become valid again, however only for a very short period of time, cf. paragraph 4 article 86 of PPA.

1.2.6 Accompanying documents with tender

These tender documents (ITT) specify which data, documents and information tenderers must submit with their tenders. Requested documents, data and information shall be submitted in accordance with these instructions.

1.2.7 Revocation of tenders

A tenderer may revoke his tender prior to the opening of the tenders, provided this is done within the tendering system. The system confirms with an email that the offers has been delivered.

If a tender is not revoked it shall be considered binding.

1.2.8 Opening of tenders

All tenders will be opened within the tender system and there will not be a formal kickoff meeting. A tender opening report will be published on Ríkiskaup's website at the following address: https://www.rikiskaup.is/is/innkaup_og_utbod/opnunarfundargerdir-1/opnunarskyrslur

According to article 65 of the PPA the following points will be published:

- a. Tenderer's name.
- b. Whether the tender is submitted as a variant.

Tenders that are submitted too late will not be accepted. Tenderers are therefore urged to submit their tenders in good time. When a tender opening report has been published, the tenders will be evaluated based on exclusion grounds and the pre-announced selection and award criteria. Therefore, the opening tender report is without prejudice to the validity of tenders and that their evaluation has not yet been carried out.

1.2.9 Exclusion of tenders

Ríkiskaup reserve the rights to refuse and dismiss any unclear bids that do not contain the information required by the tender documents. If there is no possibility to compare tender offers without calling for an explanation of the bids.

Ríkiskaup reserves the right to send an inquiry to all bidders electronically and request information within a short period. Explanations may not include new offers or negotiation procedures.

1.2.10 Selection of a tender and standstill period of contractual process

An agreement may not be awarded following the decision to select a tender until the mandatory standstill period of the contractual process has passed, cf Article 86. of the PPA, as of the day after a notice according to paragraphs 1 and 2 of Article 85 is considered having been published.

A tender will be agreed upon in a non-binding way, in writing, within applicable period, cf. the terms of this tender.

Final written agreement shall have legal binding effects after such an agreement has been signed, when it has been concluded between the parties, along with a formal decision in accordance with Act no. 155/2012

1.2.11 Acceptance of tender

The buyer will accept the most advantageous valid tender/tenders according to the award criteria of the tender documents.

Before a final contract has been awarded the buyer may cancel the invitation to tender on the basis of legitimate arguments. The arguments may be, but not limited to, that no valid tenders were received, tenders are unacceptable because they exceed the cost estimate or the budget authorisation of the contracting authority.

1.2.12 Subcontracting

The tenderer shall provide information on which parts of the agreement he plans to make third party act as a subcontractor. Such information shall be provided in the tender. If that is the case, the tenderer shall inform the buyers which subcontractor he intends to work with and seek the buyer's approval before the subcontractor starts working. The tenderer shall at the buyer's request provide information regarding technical / economical ability of the subcontractor and whether the exclusion grounds of art. 68 of the PPA apply to the subcontractor. If the mandatory exclusion grounds apply to the subcontractor the contracting authority will demand that a new subcontractor substitute the former.

If a tender is under consideration, the contracting authority may demand that the tenderer also submits a single procurement document in accordance with Article 73 of the PPA for the subcontractor and later if there is a change with respect to the subcontractor during the period of the contract.

If reasons for exclusion according to Article 68 of the PPA apply to a subcontractor, the supplier will be obligated to procure a new subcontractor to replace the first one. The same applies if a subcontractor does not meet the requirements for technical ability concerning that component of the contract that he is entrusted with.

Subcontracting shall in all instances be based on a written contract and the tenderer shall submit a statement/confirmation to this effect if the tender is under consideration – see a form from the tender response forms.

Will the bidder entrust a third party with the execution of part of the contract, and if so what part of the contract?

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Yes/No



Supplier comment allowed

1.2.13 Power of attorney

If a tender is submitted by a person who is authorized to do so on behalf of the bidder, that person shall submit a special form in this regard. The form shall explain the nature of the authorization and shall contain signatures of the authorizer and of two witnesses who confirm the validity of the signature of the authorizer, the location and the date.

a. Is the tender made on behalf of another?

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Yes/No



Supplier comment allowed

b. If a tender is made on behalf of another, please provide with a power of attorney

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Supplier comment allowed

1.2.14 Reservation on inactivity of a contract and contracting authority's liability for damages

The Public Procurement Complaints Commission may, if the conditions for inactivity are present, declare that a contract is inactive according to the provisions of Article 115 of PPA, but however only for a contract that exceeds the threshold amount for the European Economic Area, cf. paragraph 4 of Article 23 PPA.

A ruling for the inactivity of a contract has the effect that rights and obligations according to the primary subject matter if the contract is set aside. The inactivity of a contract shall be limited to the payments that still have not been made. With respect to payments that already have been made the Complaints Commission shall make provisions for other sanctions

according to Article 118 of PPA. See Article 115 of PPA.

If the contract is awarded in good faith and then rendered inactive, the contracting authority reserves the right to reject all claims for compensation.

1.2.15 General reservations

These ITT documents and contract documentation apply with respect to the purchasing and any information that the contracting authority has provided regarding the intended contract, prior to the announcement of the invitation to tender, have no formal meaning. Suppliers cannot base any rights on this towards the contracting authority.

The contracting authority can cancel the purchase until a binding contract has been awarded. The reasons can be i.e. that the contracting authority's needs have changed, new technology requires other solutions than what the ITT documents provide for, or unforeseen expenses render it impossible to perform the purchasing.

Should it be revealed shortly before scheduled delivery of the tenders, that significant changes must be made to the ITT documents that do not exceed the limits of Paragraph 4, Article 57 of PPA, the Contracting Authority reserves the right to cancel the ITT and publish a new ITT. Tenderers cannot base any rights on this towards the contracting authority.

The contracting authority reserves the right to reject all tenders from a tenderer that has been found guilty of bribery, unlawful consultation, or violation of the competition law. If it emerges that the supplier has obtained a contract because of such violations, the contracting authority reserves the right to receive damages and in addition points out the provisions of competition law and of the penal code concerning fines and other sanctions for such violations.

If the supplier is unable to perform the contract for the tendered amount and the purchaser needs to spend additional funds due to this contract, there will be an investigation into who is responsible and what was the reason. If it emerges that there has been a violation of law the proper authorities will be alerted.

1.2.16 Privacy policy

Since some of the requested information from tenderers may contain personal information, it should be noted that complete security is maintained in handling and storing the data. Unauthorized persons will not have access to data that contain personal information and the data will be stored in a safe environment within Ríkiskaup.

The data will not be shared with third parties nor will they be exported outside of the EEA. Ríkiskaup's Privacy notice can be found on the website of Ríkiskaup.

Ríkiskaup believes that appropriate measures have been taken to ensure the security of the information / data that Ríkiskaup has access to / a copy of. The processing of that data will be in accordance with applicable privacy laws at any given time.

The data subject is entitled to request access to their personal information, correct, restrict processing of the personal information of the registered person or object to processing.

1.2.17 Confidentiality

Buyer may not under Article 17 of PPA disclose sensitive information forwarded to it by economic operator/tenderer which they have designated as confidential. Included as such confidential information is information about operations, specific technical solutions, price per unit, financial matters and business matters, and other such information that can harm the interests of the economic operator if access is given to the information. A contracting authority may demand that an economic operator maintains confidentiality regarding important information during the procurement process.

A tenderer shall mark specifically those passages in the tender that are submitted as a confidential matter. This will not affect the obligation incumbent upon a public entity to present information based on the freedom of information Act.

This obligation to maintain confidentiality recedes if other provisions of the act provide for the obligation to hand over documentation, e.g. the obligation to publish a public announcement on the awarding of a contract within the EEA, and disclose the participants and the tenderers certain items as well as an obligation to give information to the Public Procurement Complaints Commission.

1.2.18 Guide for review procedures

Chapters XI and XII of the Act on Public Procurement covers the subject of the Public Procurement Complaints Commission and review procedures. Therein it is stated in paragraph 1 of Article 106: A written complaint shall be referred to the Public Procurement Complaints Commission within 20 days from the time when the complainant knew or should have known of the decision, act or omission which he believes infringes his rights. A complaint about the inactivity of a contract may however be referred to the Commission within 30 days from the above-mentioned time limit. However, a demand for the inactivity of a contract will not be posed when six months have passed from the awarding of that contract. At the further decision of the time limit the following shall apply:

- When a complaint is lodged regarding a decision on the selection of a tender, or other decisions according to paragraphs 1 and 2 of Article 85 the beginning of the deadline shall be based on the publication of the notices that are mentioned there, provided that they contain the relevant information.
- When there is a claim regarding the inactivity of a contract that has been awarded without prior contract notice the beginning of the deadline shall be based on the following publication of a notice on the awarding of a contract in the Official Journal of the European Union provided there is reasoning for the decision of the contracting authority not to advertise the procurement

The complaint shall include information on the complainant, the party against which the

complaint is directed, and the decision, action or failure to act which is the grounds for the complaint. A complaint must state the claims of the complainant together with a brief description of the circumstances of the case, and the causes of action, arguments and reasoning. Claims made by the complainant shall be subjected to the Commission 's remedies available according to this Act. The complainant shall notify the contracting authority of a complaint as soon as possible. See Article 106 of the PPA.

For each complaint there is a complaints fee of ISK 150,000. The tenderer is encouraged to study further the legal remedies of provisions of PPA.

Information about the Public Procurement Complaints Commission can be found here:

<https://www.stjornarradid.is/default.aspx?pageid=e5cf150d-33a7-11e6-80c7-005056bc217f&newsid=0dfc75f8-20e0-11ea-9456-005056bc4d74>

1.3 Selection criteria - qualification of tenderer

This section contains a description of the selection criteria for the tenderers. If the tenderer does not meet all the selection criteria for the tender, tender is invalid according to Article 82 of the PPA and will be rejected. If an economic operator is relying on the capacity of another party in accordance with Art. 76 of the PPA the ESPD shall also include relevant information according to paragraph 1 of Article 73 concerning that economic operator.

The qualification of tenderers will be evaluated based on the information they submit with their tenders, or documentation which Ríkiskaup has reserved the right to request.

1.3.1 Statement of qualification - ESPD

European Single Procurement Document (ESPD) is a self-declaration of the businesses' financial status, abilities and suitability for a public procurement.

The tenderer may fill in and submit an ESPD together with the tender (according to Article 73 of the PPA) which is accessible both in Icelandic and/or in English on the website of Ríkiskaup.

https://www.rikiskaup.is/sthttps://www.rikiskaup.is/static/files/20167_espd_en.docxatic/files/20167_espd_en.docx

If a tender is being considered, the tenderer must immediately upon the request of the contracting authority be able to present the evidence required under Article 74 of the PPA, cf tender response form.

If the tenderer prefers not to use an ESPD all the requested documentation concerning qualifications may be submitted along with the tender, cf requirements in the tender response form.

a. Does bidder choose to submit ESPD

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Yes/No



Supplier comment allowed

b. ESPD/Optional

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Supplier comment allowed

1.3.2 Qualification based on ability of another company

If an enterprise is based on the capacity of another party in accordance with Article 76. OIL's tender must also contain relevant information in accordance with Art. Paragraph 1 Article 73, on that party.

A company must also prove to the buyer that it has secured the specified assistance, e.g. by submitting a mandatory statement to the party that he will perform the work or service.

The buyer reserves the right to demand that the tenderer and the party in question bear joint responsibility for the performance of the contract, cf. paragraph 3 article 76 PPA.

If a tenderer builds on the ability of another company or company, that company / companies must submit the same information as the tenderer. The buyer reserves the right to demand that the tenderer and the party in question bear joint responsibility for the performance of the contract.

1.3.3 Grounds for excluding tenderer

A tenderer convicted by final judgment for the following offences shall be excluded from participating in the procurement procedure:

- participating in a criminal organization,
- corruption,
- fraud,
- terrorism, or for offences that are linked to terrorist acts,
- money laundering or the financing of terrorist acts,
- child labor or other form of trafficking in human beings.

The obligation to exclude a participant or tenderer also applies when a person who has been convicted by final judgment for a violation of article 68 of the PPA, is a member of the administrative, management or supervisory board of the relevant economic operator, or is an authorized representative, who is authorized to make decisions or has a controlling position in the relevant economic operator.

The participant, or the tenderer, shall be excluded from participating in the procurement process if in violation of duty to pay taxes, pension fund premiums or other statutory fees and there has been a final finding by a court of law or by an administrative authority where the tenderer is registered, or in a member state of the EEC. The participant or the tenderer shall hand in documentation according to the above mentioned which cannot be older than 3 months.

In addition, the contracting authority reserves the right to exclude an economic operator from participating in a procurement process if other reasons for exclusion listed in Article 68 of the PPA apply to the economic operator. The contracting authority/the buyer will, according to article 68 of the PPA, and because of recommendation from the OECD WGB, take into account whether an economic operator has made sufficient measures to prevent and detect foreign bribery committed by the company (e.g. internal audit systems, whistleblowing, code of conduct, policy on gifts, facilitation payments etc.) when deciding whether to award a public procurement contract to that economic operator. The tenderer shall confirm and describe in his tender what measures have been taken to prevent and detect foreign bribery.

The contracting authority reserves the right at any time to call for further documentation according to Article 74 PPA.

By submitting tender, the tenderer confirms that the above exclusionary circumstances do not apply to him (the company), the individuals in the management, management or supervisory body of the company, nor to persons authorized to represent, make decisions or control it.

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Yes/No. Yes is required

Supplier comment allowed

1.3.4 Qualification

The tenderer shall be registered in a register of enterprises. If an economic operator is from other states in the EEA, or from member states of the EFTA convention then the proper registration in its country of domicile must be demonstrated by certificate.

The tenderer who uses a temporary work agency shall demonstrate that the agency has been reported to the Directorate of Labour and that the agency has authorisation to operate in Iceland. A tenderer who intends to hire a citizen from a state outside of the EEA, from an EFTA state or from the Faeroe Islands, shall apply and have been issued a work permit prior to the alien commencing work.

Certificate from a company register or comparable foreign register

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1.3.5 The financial standing of the tenderer and professional liability insurance

The financial standing of the tenderer shall be sufficiently secure so that commitments to the contracting authority may be fulfilled, cf Article 71 of the PPA.

Tenderer shall have in place professional liability insurance policy and confirm such a policy with a document from his insurance company stipulating the maximum insurance amount.

a. Professional liability insurance policy

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 Supplier comment allowed

b. Professional liability insurance policy is sufficient.

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Yes/No. Yes is required

1.3.6 Public and Pension dues

The tenderer shall confirm that he has paid all public dues and pension dues. If a tender withheld tax payments, public dues or legally mandated premiums to pension funds, his offer will be rejected.

If a tenderer has negotiated with the tax authorities, payments of public dues in default and adheres to such agreement, it shall be viewed as being up to date in payments of public dues. Agreements on the payment of public dues that are being adhered to are therefore not viewed as being in default.

a. Certificate of tax payment

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Yes/No. Yes is required

b. Certificate of payment of applicable public dues

Almennt sniðmát 2 ENGL...

Yes/No. Yes is required

1.3.7 Technical and professional ability

The experience and professional ability of an economic operator shall be sufficiently secure so that commitments to the contracting authority may be fulfilled. An economic operator may rely on the financial, technical and professional capacities of other entities, regardless of the legal links it has with them, cf. Article 76 of the PPA.

These are the conditions of the buyer in this regard:

Condition	Confirmation
<ul style="list-style-type: none"> • Tender shall have experience between January 1 2015 and December 31 2020 in advising in relation to a sale or offering of shares in companies in Europe. • Tenderer shall have experience between January 1 2015 and December 31 2020 in advising European governments in sale of holdings in companies. • Tenderer shall have experience between January 1 2015 and December 31 2020 in advising in relation to a sale of financial instruments in companies in Iceland. 	<ul style="list-style-type: none"> • List A stipulating projects. Five comparable projects that have been concluded. • List B stipulating projects. Five comparable projects that have been concluded. • List C stipulating projects. Five comparable projects that have been concluded.

Tenderer should be aware that it is necessary to confirm said technical and professional ability, see below. Ríkiskaup reserve the right to verify this and shall tenderers, in such instances, immediately deliver such information as the case may be, or otherwise Ríkiskaup reserve the right to dismiss said offer.

a. List A on projects Almennt sniðmát 2 ENGL...

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Supplier comment allowed

b. List B on projects Almennt sniðmát 2 ENGL...

Attachment

Supplier comment allowed

c. List C on projects Almennt sniðmát 2 ENGL...

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Supplier comment allowed

d. Sufficient informationYes/No. **Yes is required**

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**1.3.8 Reservation concerning additional information about qualification at later stages**

Ríkiskaup reserves the right to call for further information at a later stage as evidence for there not being reasons for exclusion according to Chapter VI of the PPA. By submitting the tender, the tenderer consents that Ríkiskaup may verify that grounds for exclusion according to PPA do not apply if his tender is the most advantageous. For example, tenderer may be checked in CreditInfo database (CreditInfo offers a variety of information on both domestic and foreign companies such as credit reports, information from financial reports, information about the insolvency of companies, media information and payment behavior system.) The tenderer confirms that it is permissible to check the business history of the economic operator, principal owners and the directors, cf. paragraph 7 of Article 68 of PPA.

Ríkiskaup reserves the right to request further information:

- A statement from the principal commercial bank regarding reliability in business transactions.
- Information about fulfilment of contracts.

1.3.9 Business ethics

Corruption and other financially fraudulent activities are not acceptable. The tenderer shall work actively against all forms of corruption, extortion and money laundering. The tender is required to have an ethical framework that applies to the tender's employees. The rules shall contain a prohibition on offering, promising or giving unfair benefits to customers, suppliers and public employees. The same applies to the receipt of such benefits. By accessing tender documents and sending a tender in this procurement procedure, the tenderer /supplier confirms that the firm has ethical rules /framework. See further terms and conditions regarding tender documents on the Ríkiskaup website where there are information regarding penalty for bribery offences.

Tenderer confirms that he has in place ethical rules/framework against said infringements, see above.

Yes/No. **Yes is required**

Supplier comment allowed

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**1.4 Award criteria**

This chapter applies to award criteria and conditions thereof. Offers will be evaluated and scored in consideration of the conditions in this chapter and are in accordance with article 79 PPA. Until a final written agreement is signed the buyer is allowed to cancel the tender on legitimate reason. Such reasons can be, but not limited to, that no valid offers were delivered or

that the sale process is canceled before a final written agreement is concluded.

1.4.1 Selection criteria

The most cost-effective offer is selected on the basis of points scored. There are 100 points available which are divided as follows, cf. more later in this chapter.

Price = 20 points

Quality = 80 points that are divided into two phase:

Phase 1: Experience of the leading team and projects size = 60 points

Phase 2: Subjective criteria // Presentation // Likert scale = 20 points

If the tenderer does not address all the issues required in the selection criteria, Ríkiskaup will dismiss the tenderer from the assessment process on the grounds that he does not meet the definition.

1.4.1.1 Price // 20 points

Prices shall be in Euros (EUR).

Price rating is based on the following:

The lowest total offer price according to offer, receives the highest score or 20 points.

After that, the following calculation model is set out in the equation: Price rating = ((lowest price) / (bid price)) * 20.

1.4.1.1.1 Weighted hourly rate of the leading team

The offer must include all standard operating costs and fees, whatever they are called. Bids shall be without VAT.

The offer shall be construed in such a way, that a fixed price is offered for the service provided, based on which employees carry out the project.

The tenderer shall enter in the box here below, the weighted hourly rate of the leading team from the list attached to this tender.

Weighted hourly rate of the leading team - extracted from the list attached to this tender

Almennt sniðmát 2 ENGL... 

Price field



Supplier comment allowed

1.4.1.2 Quality // 80 points

A quality rating can give 80 points and is divided into **Phase 1** and **Phase 2**.

The seven bidders who receive the most points in Phase 1 *Experience of the leading team and projects size* will be allowed to participate in Phase 2.

In **Phase 2 *Subjective criteria // Presentation // Likert scale*** the seven bidders are given the opportunity to present their experience and services with a 45 minute presentation.

Grading is divided as follows:

Phase 1: Experience of the leading team and projects size can give 60 points.

Phase 2: Presentation can give 20 points.

1.4.1.2.1 Experience of the leading team and projects size // 60 points

The tenderer must specify three employees who form a leading team for the work on the planned project. Their combined work experience, based on the following requirements, shall determine the grading:

- a. Combined transaction experience of leading team and projects size between January 1 2015 and December 31 2020 in connection with a direct sale or offering of shares in financial services companies in Europe (20 points).
- b. Combined transaction experience of leading team and projects size between January 1 2015 and December 31 2020 in connection with a direct sale or offering of shares in non-financial services companies in Europe (20 points).
- c. Combined transaction experience of leading team and projects size between January 1 2015 and December 31 2020 in advising European governments in the sale of holdings in companies (10 points).
- d. Combined transaction experience of leading team and projects size between January 1 2015 and December 31 2020 in relation to the sale or offering of financial instruments by companies in Iceland (10 points).

The tenderer shall complete the Offer Sheet (excel file) which is an attachment to the tender and it shall be saved and completed in section 1.9 Offer Sheet.

1.4.1.2.1.1 Combined transaction experience and projects size in connection with direct sale or offering of shares in financial services companies in Europe (20 points)

Experience rating is based on the following:

Total number of projects (**5 points**) and the aggregate size of projects (**5 points**).

Total number of projects that involved initial public offering and listing of shares on a regulated securities market (**5 points**) and the aggregate size of projects (**5 points**).

The highest total number of projects or the aggregate size in each category, receives the highest score each time or five points.

After that, the following calculation model set out in the below equation determines rating:

Rating = ((total projects) / (most projects)) *5 or ((aggregate size) / (highest aggregate size)) *5

Confirmation on leading team's experience and projects size

Almennt sniðmát 2 ENGL... 

Attachment

 Supplier comment allowed

1.4.1.2.1.2 Combined transaction experience and projects size in connection with a direct sale or offering of shares in non-financial services companies in Europe (20 points)

Experience rating is based on the following:

Total number of projects (**5 points**) and the aggregate size of projects (**5 points**).

Total number of projects that involved initial public offering and listing of shares on a regulated securities market (**5 points**) and the aggregate size of projects (**5 points**).

The highest total number of projects or the aggregate size in each category, receives the highest score each time or five points.

After that, the following calculation model set out in the below equation determines rating:

Rating = ((total projects) / (most projects)) *5 or ((aggregate size) / (highest aggregate size)) *5

Confirmation on leading teams' experience and projects size

Almennt sniðmát 2 ENGL... 

Attachment

 Supplier comment allowed

1.4.1.2.1.3 Combined transaction experience and projects size in advising European governments in the sale of holdings in companies (10 points)

Experience rating is based on the following:

Total number of projects (**2.5 points**) and the aggregate size of projects (**2.5 points**).

Total number of projects that involved initial public offering and listing of shares on a regulated securities market (**2.5 points**) and the aggregate size of projects (**2.5 points**).

The highest total number of projects or the aggregate size in each category, receives the highest score each time or 2.5 points.

After that, the following calculation model set out in the below equation determines rating:

Rating = ((total projects) / (most projects)) *2.5 or ((aggregate size) / (highest aggregate size)) *2.5

Confirmation on leading teams' experience and projects size

Almennt sniðmát 2 ENGL... 

Attachment



Supplier comment allowed

1.4.1.2.1.4 Combined transaction experience and projects size in relation to the sale or offering of financial instruments by companies in Iceland (10 points)

Experience rating is based on the following:

Total number of projects (**5 points**) and the aggregate size of projects (**5 points**).

The highest total number of projects or the the aggregate size of projects in each category, receives the highest score each time or five points.

After that, the following calculation model set out in the below equation determines rating:

Rating = ((total projects) / (most projects)) *5 or ((aggregate size) / (highest aggregate size)) *5

a. Confirmation on leading teams' experience and projects size

Almennt sniðmát 2 ENGL... 

Attachment



Supplier comment allowed

b. Overall rating

Almennt sniðmát 2 ENGL...    20 pt.

Linear scale. 0 - 60 Overall rating. Required limit: 1 Overall rating

1.4.1.3 Subjective criteria // Presentation // Likert scale // 20 points

In assessing whether the service meets requirements, the seven bidders who receive the most points in Phase 1k will be given the opportunity to present his experience and service with a 45 minute presentation, which will be divided into a 35 minute presentation and 10 minutes of questions and answers.

Seven experts in a professional group will evaluate the service according to the presentation and give a rating. There will be three from Íslandsbanki, three from ISFI and one from the

Ministry of Finance and Economic Affairs.

A Likert scale will be used for the evaluation. The Likert scale refers to five possible answers with word values. The proverbs; strongly disagree, rather disagree, neither agree nor disagree, rather agree and strongly agree are used on assessment sheets. A statement is made about the service and product testers are asked to mark the appropriate wording. A rating will be given between 1 and 5 where 1 is the lowest rating and 5 the highest rating for each claim listed below. Points will be awarded for each item evaluated. Ratings for each assessment component will be added together and divided by the number that gives the grade. The result gives a rating for each assessment factor.

The content of the presentation shall be:

1. Discussion of two similar projects, mentioned in the experience of the leading team, in comparison with the public offering and listing of shares in Íslandsbanki (5 points).
2. Discussion of how the leading team views the proposed sale of holdings in accordance with Act no. 155/2012, Act no. 88/2009 and other relevant laws (5 points).
3. Discussion of co-operation with law firms that have expertise in domestic laws and the scope of such co-operation in comparison with the public offering and listing of shares in Íslandsbanki (5 points).
4. Discussion of the estimated cost of the project, such as hourly wage, estimated number of hours and maximum out of pocket expenses (5 points).
5. Questions and answers.

A special assessment sheet covering the aforementioned evaluation items is attached to this tender, see attachment 1.

Professional group's assessment

Linear scale. 0 - 20 1

Almennt sniðmát 2 ENGL...   20 pt.

1.5 Publication of bidder's scoring

When bidders have been evaluated and scored in accordance with the selection criteria Ríkiskaup will make public each bidder's scoring in every category, i.e., price, experience and presentation.

1.6 Alternative offer

It is not permissible to deliver an alternative offer.

1.7 Contract Terms and Conditions

1.7.1 Contract documents

ITT documents including appendices, responses to inquiries and commentaries to the tenderers

during the tender period and the tender by the tenderer is part of this contract. If the text of the contract documents is in conflict with the law, then the text of the contract shall be set aside.

1.7.2 Contract period

The term of the agreement is from the time a final written agreement is signed until (A) the Minister of Finance and Economic Affairs decides to not sell shares in Íslandsbanki, postpones the sale process indefinitely or cancels the sale process or (B) the agreement is terminated pursuant to the written agreement.

1.7.3 Reservation of procuring legal advice outside the agreement

The buyer, either ISFI or Íslandsbanki, reserves the right to procure legal advice from another party outside the agreement, if such a conflict of interest arises in the process, that it is necessary to obtain external legal advice for either party.

1.7.4 Default and termination

The supplier shall in all matters observe their contractual obligations in accordance with the accepted tender and the terms and conditions of the invitation to tender/contract. If the purchaser suffers loss or damage on account of default by the supplier, the supplier is fully liable to pay compensation.

Default by supplier give the purchaser the right to suspend payments, demand a discount or apply other remedial action provided for in commercial law.

In the event of repeated or gross default by the supplier the purchaser can rescind the contract without notice.

If the supplier seeks composition or moratorium on payments, if he is declared bankrupt or in financial distress, the purchaser may without notice terminate the contract.

The purchaser will without any compensation rescind the contract in whole or in part:

- a. If a significant change of the contract calls for a new procurement procedure, cf Article 90 of the PPA. This applies e.g. if the changes are subject to a complaint and the findings of the Complaints Commission are that these changes were not authorized without a new invitation to tender.
- b. If an economic operator, who originally was selected, should have been excluded from procurement procedures, cf paragraphs 1 and 2 of Article 68 of the PPA.
- c. If some of the exclusion grounds according to Article 68 of the PPA apply to the economic operator during the contract period.
- d. If a contract should not have been awarded to an economic operator in view of a serious violation of this Act, or of regulations issued according to the Act. This applies e.g. if it emerges after the awarding of a contract that the reasons for exclusion listed in paragraphs 1 and 2 of Article 68 of the PPA apply to the supplier.

The buyer shall have the right to terminate the agreement within reasonable time frame for

instance, but not limited to:

- a. If during the term of the agreement, quality or performance of leading teams is not in accordance with selection criteria of this tender.
- b. If during the term of the agreement, the Minister of Finance decides to postpone, quit or cancel the sale process.

1.7.5 Review clause – revisions during the period of the contract

The purchaser reserves the right to make changes to the contract during the extent permitted according to Article 90 of the PPA. Changes can be both according to an agreement with the supplier or with other parties if the supplier is in default and it becomes necessary to negotiate with another party in order to fulfil his contract obligations. See also chapter on terms of employment, prices and price adjustments and the assignment of rights and obligations. The purchaser reserves the right to make changes to the contract if the supplier is declared bankrupt, without entering a new invitation to tender.

If legislative amendments or technological innovations call for changes to be made to the contracted goods, services or project, the contract can then be revised during the period of the contract within the provisions of Article 90 of the PPA. The same applies if unforeseen technical difficulties have appeared during operation or maintenance.

1.7.6 Assignment of rights and obligations

The supplier may not assign or pledge any rights under this agreement without the written approval of the purchaser.

The supplier may not without the written approval of the purchaser assign to another the undertaking of the supplier's obligations in part or in whole. If the supplier obtains such authority, the obligations of the supplier towards the purchaser will not change in any way.

The purchaser reserves the right, in accordance with Article 90 of the PPA, to authorize another economic operator to enter into and take over the position of the original contractual party in the execution of this contract in whole or in part by which a new contractual party shall meet all the qualitative requirements of the ITT.

The purchaser reserves the right under Article 90 of the PPA, where this applies, to undertake the obligations of the principal contractor towards the subcontractor, if the principal contractor is unable to fulfill his obligations.

1.7.7 Force Majeure

Neither the supplier nor the purchaser will be required to pay compensation if force majeure applies which neither party can be blamed for such as war, fire, natural disaster, strike, lock-out or other such events preventing the performance of this contract.

1.7.8 Disputes

Any dispute that may arise because of the transactions covered by this invitation to tender shall be referred to the District Court of Reykjavik.

The parties shall meet at least in two conciliation meetings before any disputes that may arise from the transactions covered by this tender are referred to court. The parties may jointly decide procure the assistance of a neutral mediator. If the conciliation meetings are not successful, the dispute shall be referred to the District Court of Reykjavik.

1.8 Technical & quality specification

1.8.1 Quality specification

As stated in section 1.1 *General terms and conditions of the Invitation to tender*, ISFI submitted a proposal to the Minister of Finance and Economic Affairs to sell holdings in Íslandsbanki, aiming to list the shares on a regulated domestic securities market through an international initial public offering, cf. Act no. 155/2012 and pursuant to Regulation S/Rule 144a. On 21 December 2021, the Minister submitted a report to the Budget Committee and the Economic and Business Committee of the Althingi, as well as requesting for the comments of the Central Bank of Iceland. The Central Bank of Iceland commented on 15 January 2021 and the committees' delivered their comments on 20 January 2021. On 29 January 2021, the Minister decided that the sale process of Íslandsbanki should be initiated in accordance with the aforementioned report by the Minister submitted to said committees.

In accordance with the decision to initiate the sale process, ISFI was asked, in consultation with the Ministry, to ensure that the offer structure and allocation rules would be in accordance with the following suggestions in the committees' comments, as far as possible, and any significant deviation from them should be based on satisfactory reasoning:

1. To promote increased competition in the financial market.
2. To ensure a disbursed and diverse ownership of Íslandsbanki.
3. To ensure that subscriptions for shares below a certain ISK amount (market value of one million ISK) will be fulfilled, if there is excess demand in the IPO.
4. That each bidder can only subscribe to a maximum holding, e.g., 2.5–3.0% of the bank's total share capital.
5. That the offer size will have a minimum and a maximum, e.g., in the range of 25% to 35%.

ISFI is also entrusted with exploring whether it is in accordance with the government's objectives of maximizing the benefits of ownership and sale of shares in Íslandsbanki that the bank pays dividends in excess of 3 - 4 billion ISK and if that is not recommended, to provide satisfactory reasoning for such conclusion.

ISFI and Íslandsbanki aim to hire a joint legal adviser in connection with an international initial public offering of shares in the bank.

ISFI and Íslandsbanki aim to jointly hire two different legal advisers:

- a. Legal adviser with expertise in Icelandic law in regards to public offering and listing of shares on a regulated securities market and related issues
- b. Legal adviser with expertise in foreign / international law concerning public offering and listing of shares on a regulated securities market and related issues, e.g. pursuant to Regulation S/Rule 144a.

ISFI and Íslandsbanki plan to hire, regarding the part that falls under PPA, first a legal adviser with expertise in Icelandic law and then a legal adviser with expertise in foreign / international law.

The sale of the state's holdings in Íslandsbanki through a initial public offering of shares and their listing on a regulated securities market is an extensive task that requires at least advice from financial advisers, equity capital market advisers and lawyers.

1.9 Tender sheet

I, the undersigned, have thoroughly familiarized myself with the invitation to this tender Legal advisors for Icelandic State Financial Investments issued by Ríkiskaup, and hereby submit the following tender in accordance thereto.

Tender sheet Almennt sniðmát 2 ENGL... 

Attachment  *Supplier comment allowed*

1.10 Definitions of words and terms

CANDIDATE –An economic operator who has sought or been offered an invitation to take part in restricted procedure, competitive procedure with negotiation, negotiated procedure, competitive dialogue or innovative partnership.

EEA - The European Economic Area – including Iceland.

ESPD – European Single Procurement Document.

PPA - Act on Public Procurement No. 120/2016.

POWER OF ATTORNEY - A written document whereby the tenderer appoints another person as his proxy or to represent the tenderer and grants this person the authority to perform certain acts on the tenderer's behalf such as to enter into a binding contract.

SHALL - For the purposes of this invitation to tender specification means that a certain item or requirement is mandatory, i.e. the tenderer in his tender must comply with such item or requirement for the tender to be deemed valid.

SHOULD - For the purposes of this tender specification means that the tenderer may fulfil a specific item or requirement to a varying degree with his tender.

TENDERER - An economic operator (contractor, supplier or service provider) who has submitted a tender.

TENDER RESPONSE FORMS - A summary list of the documentation which the tenderers must submit.

CONTRACTOR/SUPPLIER - Tenderer with whom a contract is drawn up following an invitation to tender.

PURCHASER/CONTRACTING AUTHORITY – Agency, local community or other public entity in accordance with Article 3 of the PPA who is the purchasing party following the invitation to tender.

PRODUCT CATEGORY - One or more product types that are defined as a special group either according to the manufacturer/supplier identification code or according to an international product ID code.

PRODUCT IDENTIFICATION CODE - One specific product that is identified with a unique number either according to the manufacturer/supplier identification code or according to an international product ID code.

PRODUCT TYPE - One or more product types that are defined as a special group either according to the manufacturer/supplier identification code or according to an international product ID code.

SERVICE CLASS - Pre-defined elements of service that are grouped together and put up for tender under one heading.

SERVICE COMPONENT - Certain services.

Mini-tender - Procurement process whereby the contracting authority calls, with reasonable notice for written tenders among framework agreement parties who have performed an agreement on the basis of objective criteria that are stated in the framework agreement tender specifications.

See also definitions of terms in Article 2 of the PPA.