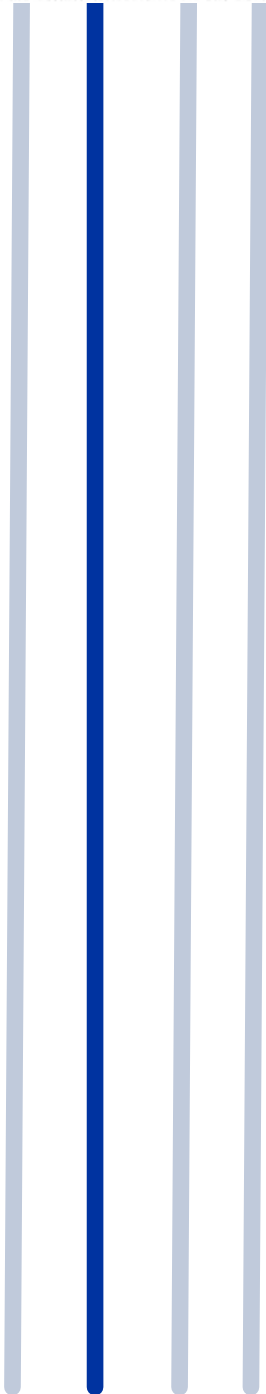


HELLENIC CORPORATION OF ASSETS AND PARTICIPATIONS



## **Procurement Regulation**

**September 2018**



## 1. SCOPE

The Regulation governs the terms and award procedures of the corporation under the name “Hellenic Corporation of Assets and Participations S.A.” which was set up by virtue of the art. 184 of Law 4389/2016 (hereinafter each one of them “The Corporation”) regarding any kind of contracts of provision of goods and services, whether these fall within the scope of Directive 2014/24, as it was incorporated into Greek law by virtue of Law 4412/2016, or whether these fall outside the scope of it.

The relevant regulations of the direct subsidiaries of the Corporation “Hellenic Corporation of Assets and Participations S.A.” (ETAD, HRADF and HFSF) remain in force until the adoption of the final Rules of Procedure of the corporation “Hellenic Corporation of Assets and Participations S.A.” pursuant to art. 189 par. 1 of Law 4389/2016 and are not affected by the approval of this Regulation.

The procedures of the Corporation shall be in accordance with the applicable European legislation concerning European contract awards, as incorporated into the Greek law as appropriate, as well as with European rules, as interpreted by the Court of Justice of the European Union and the Commission Interpretative Communication of 1.8.2006 (EE C 179/2).

In relation to contracts that fall within the scope of Directive 2014/24, the provisions of it as incorporated into the Greek law by Law 4412/2016 and complementarily the provisions of this Regulation shall apply.

The Corporation is not obliged to apply the national provisions regarding public procurement contracts, including the provisions of Law 4412/2016 that introduce more restrictive provisions than Directive 2014/24, i.e. indicatively article 66 of Law 4412/2016.

### 1.1. Award of Contracts regarding Operational Services

Contracts regarding Operational Services include all provisions of goods, studies of any kind and services, as well as projects and work related to: (i) everyday activity and operation of the Corporation and (ii) costs of the Management and the employees of the Corporation for the exercise of their duties.

In particular, these indicatively relate to contracts regarding supply or acceptance of the following products or services:

- (a) Stationery,
- (b) Consumable materials of any kind,
- (c) Books, printed and digital subscriptions and publications as well as special sources of electronic information (e.g. access to Bloomberg)
- (d) Travel and transportation,
- (e) Accommodation,
- (f) Telecommunications,
- (g) Organization of Roadshows/ Conferences/ other promotional activities,
- (h) Insurances of any kind,
- (i) Electromechanical and other equipment,
- (j) Furniture,
- (k) Computers, phone devices, security equipment and software,
- (l) Security and cleaning services,
- (m) Communication and promotion,
- (n) Legal services,
- (o) Accounting-auditing services,



- (p) Studies,
- (q) Advisors for the sourcing of human resources for the staffing of the Corporation
- (r) Leasing services
- (s) Any kind of work regarding the repair and improvement of the establishments of the Corporation.

The competent authorized executive of the Corporation shall prepare an annual report including the awards, which shall be submitted to the Board of Directors of the Corporation for information, as well as to the body competent for the internal audit of the Corporation, which will be provided for in the Corporation's Internal Rules of Procedure, in order to examine that the procedures provided for in this Regulation have been applied and that these procedures are efficient.

## 1.2. Award of Contracts regarding the Provision of Services for the Fulfilment of the Corporation's Purposes

Services for the fulfilment of the Corporation's Purpose include any kind of studies, works and any kind of independent professional services relating to the exploitation of a certain asset of the Corporation and in particular:

- (a) Financial advisory services,
- (b) Legal advisory services,
- (c) Technical advisory services,
- (d) Underwriting Services,
- (e) Organizational Advisory Services,
- (f) Audit, Accounting and tax services,
- (g) Studies regarding strategy planning,
- (h) Studies regarding reorganization and reconstruction,
- (i) Communication and promotion services,
- (j) Services regarding actuarial studies,
- (k) Value assessment services,
- (l) Services of mediation for sale or rental of immovable assets,
- (m) Communication services,
- (n) Brokerage services



## 2. AWARD PROCEDURE

### 2.1. Selection of procedure on the basis of the estimated budget

A. Depending on the estimated budget of the Contract regarding Operational Services or the Contract regarding the Provision of Services for the Fulfilment of the Corporation's Purposes, the relevant procedure is selected, according to the following table.

| Estimated Budget (€) | Procedure            |
|----------------------|----------------------|
| ≤40.000              | Direct Award         |
| 40.001– 208.999      | Brief Tender         |
| ≥209.000             | International Tender |

- B. In relation to repetitive Contracts regarding Operational Services, the limit of the budget according to the above table is estimated pursuant to art. 5 of Directive 2014/24/EE, as incorporated by art. 6 into Law 4412/2016. The relevant value-added tax is not included in the amounts of the table above.
- C. By decision of the BoD of the Corporation, any other award procedure provided for in Directive 2014/24, as it was incorporated into the Greek law by Law 4412/2016, may be applied.

### 2.2. Direct Award

#### A. Direct Award of Contracts regarding Operational Services

For the award of Contracts regarding Operational Services, the competent employee of the Corporation prepares a brief description of the required supplies (by type, possible specifications or guarantees of materials/equipment etc.) and the delivery time, which is sent to the supplier or contractor following the approval of the expenditure by the competent authorized body of the Corporation pursuant to paragraph 2.7.

#### B. Direct Award of Contracts regarding the Provision of Services for the fulfilment of the Corporation's purposes

For the Award of Contracts regarding the Provision of Services for the fulfilment of the Corporation's purposes, the competent body of the Corporation prepares and submits for approval to the competent authorized body of the Corporation, pursuant to paragraph 2.7., a proposal including the following:

- a. Brief description of the services,
- b. Required timeline for the provision of services,
- c. Estimated budget,
- d. Proposal of the potential contractor for the provision of the Service, and result of any negotiations with him,
- e. Argumentation regarding the proposal for the award to this contractor.



Following the proposal's approval, the relevant contract is concluded, which is signed on behalf of the Corporation by the competent person in accordance with the provisions of paragraph 2.7.

- C. For each contract awarded pursuant to paragraph 2.2, a prior market research shall be conducted and the budget and maximum cost limit of the contract shall be set. Potential contractors, before the signing of the contract must submit a letter of guarantee for good performance for each contract with budget over ten thousand (10.000) euros, unless due to the reasonable and particularly explained judgment of the Corporation the submission of the letter of guarantee for good performance is not consistent with the nature of this particular contract. The amount of the guarantee letter is decided by the competent authorized body of the Corporation and is in proportion with the budget of the contract.

### 2.3. Brief Tender

The competent employee of the Corporation prepares and submits for approval to the competent body of the Corporation pursuant to paragraph 2.7, a draft request for proposals (the Invitation), which must include at least the following elements:

- (a) Brief description of the required services or specifications of the goods,
- (b) Minimum required content of the proposal by potential contractors and elements of eligibility,
- (c) Required delivery timeline for goods or timeline for the provision of services,
- (d) Any preselection criteria and maximum number of preselected candidates,
- (e) Deadline for the submission of proposals, which shall be clearly defined and shall be at least five (5) days after the date of the invitation's publication on the Corporation's website
- (f) Estimated budget
- (g) The criteria for the award of the contract
- (h) The processes regarding submission of objections, procedures regarding resolution of disputes, the bodies competent for examination, the competent bodies for the resolution of disputes, as well as remedies that may be exercised by the participants.

The deadline of point (e) shall be shorter than the aforementioned limit only if there are reasons of secrecy, due to the type of the intended transaction, or reasons of urgency and without prejudice to the applicable European legislation.

Without prejudice to paragraph 2.6.B., following the approval of it, the Invitation is published on the website of the Corporation. Other publicity formalities provided for in Law 4412/2016 do not apply, unless it is explicitly provided for in this Regulation.

For each award of contract in accordance with the procedure of this paragraph, the participants submit a letter of guarantee for participation unless, due to the reasonable and particularly explained judgment of the Corporation, the submission of the letter of guarantee for participation is not consistent with the nature of this particular contract. The amount of the guarantee letter is decided by the competent authorized body of the Corporation and is in proportion with the budget of the contract.

After the lapse of the deadline for submission of proposals, the proposals submitted are examined by a Tender Committee constituted by decision of the competent body of the Corporation and consisting of three (3) employees of the Corporation (Tender Committee).

The Invitation may provide that the Tender Committee may require clarifications, additions or adjustments to the submitted documents. Any clarification or addition to documents shall refer exclusively to the ambiguities, non-essential irregularities, or obvious formal errors that can be



subject to correction or addition. Since the Committee judges that the offers meet the conditions of the Invitation, the evaluation of them follows as well as the ranking of the candidates in order of preference. The Committee may request improvements of the offers, in accordance with the relevant provisions of the Invitation, since this does not cause discriminations or distortion of competition, ensuring equal treatment of all participants and since it is justified by the nature of the process (competitive dialogue). Regarding the process and the outcome of the tender, Minutes are concluded.

Following the evaluation and the consent of the Legal Counsel regarding the legality of the process, the Minutes of the Committee are submitted to the competent body of the Corporation for the decision regarding the award of the tender and the signing of the relevant contract in accordance with the approval thresholds of paragraph 2.7.

The thresholds regarding the award of contracts through a brief tender procedure, shall apply with respect to awards through procedure with negotiation as well, with or without a prior publication of an Invitation, as these procedures are provided for in art. 29 and 32 of Directive 2014/24, as incorporated by Law 4412/2016.

## 2.4. International Tender

- A. As International Tender is considered any award procedure provided for in article 26 of Directive 2014/24, as incorporated into the Greek law by article 26 of Law 4412/2016.
- B. The competent employee of the Corporation prepares and submits for approval to the competent body of the Corporation pursuant to paragraph 2.7., a draft Invitation, which must include the minimum content of the invitation as provided for in Directive 2014/24, incorporated into the Greek law by Law 4412/2016, and must have the consent of the Legal Counsel in relation to the legality of the procedure.
- C. Following the approval of the Invitation by the competent body of the Corporation pursuant to paragraph 2.7., without prejudice to paragraph 2.6.B., the Invitation is published on the website of the Corporation. If the requested service falls within the scope of Directive 2014/24, as incorporated into the Greek law by Law 4412/2016, the Invitation is also published in the Official Journal of the European Union.
- D. Following that, a Tender Committee is constituted by decision of the competent body of the Corporation, which examines whether the proposals are in accordance with the terms of the Invitation and proceeds with their evaluation.
- E. In relation to the contracts which fall within the scope of Directive 2014/24, the deadline for the submission of the proposals is set by the Corporation in accordance with the deadlines provided for in Directive 2014/24, as it was incorporated into the Greek law by Law 4412/2016. If the scope of the Invitation is excluded from the scope of Directive 2014/24, or if a longer deadline is not provided for in Directive 2014/24, as it was incorporated into the Greek law by Law 4412/2016, then the deadline for the submission of proposals must be at least thirty (30) days after the date of the publication of the Invitation.
- F. The Invitation may provide that the Tender Committee is able to request clarifications, additions or adjustments to the submitted documents, as well as improvements of the offers, since this does not cause discriminations or distortion of competition and is justified by the nature of the process (e.g. competitive dialogue), ensuring equal treatment of all participants and without



prejudice to the applicable provisions of Directive 2014/24, as it was incorporated into the Greek law by Law 4412/2016.

- G. After the lapse of the deadline for submission of proposals, the proposals submitted are examined by a Tender Committee. Regarding the process and the outcome of the tender, Minutes are concluded. The Tender Committee, upon evaluation and given the consent of the Legal Counsel in relation to the legality of the procedure, submits its Minutes to the competent bodies of the Corporation to decide upon the award of the tender.

## 2.5. Special provisions regarding the award of contracts for rental or purchase of immovable assets for the accommodation of the Corporation's offices

Contracts regarding rental or purchase for the accommodation of the Corporation's offices, are concluded following a market research by a real estate agency. Prior to the assignment for the search of an asset for rental, the possibility of renting an asset from the Portfolio of ETAD is investigated.

If, following a proposal by the competent authorized executive of the Corporation to the competent body of the Corporation pursuant to paragraph 2.7., the accommodation of the Corporation to an - owned asset is deemed necessary and most economically advantageous, the specifications of which are not met by any asset currently belonging to the portfolio of ETAD, the relevant specifications are provided to at least three real estate agencies. The specifications include mandatorily the maximum budget, the accessibility and approachability regarding means of transport, as well as a detailed description of the spaces required.

## 2.6. Exceptions – Special Provisions

- A. The renewal or amendment of contracts of the Corporation concluded in accordance with this Regulation is allowed, provided that it does not lead to a violation of the excess of thresholds regarding the selection of the applicable award procedure and shall be without prejudice to the provisions of Directive 2014/24, as it was incorporated into Greek law by Law 4412/2016, to the extent that they are applicable.

The decisions regarding the renewal or amendment of contracts of the Corporation are made by the body of the Corporation competent for the initial award, in accordance with the approval thresholds of paragraph 2.6. For the calculation of the above thresholds, the total remuneration that the provider is entitled to receive according to the initial contract is taken into account along with any extensions of it and any complementary works. In any case, for the extension or renewal of the assignment to the same provider beyond two years in total, a decision of the BoD shall be required.

- B. Notwithstanding paragraphs 2.3. and 2.4.C., after decision of the BoD of the Corporation following the proposal of the competent executive of the Corporation, and without prejudice to the provisions of Directive 2014/24, as incorporated into the Greek law by Law 4412/2016, the Invitation is not published on the website of the Corporation in cases where secrecy is required, in order not to affect, by the early publication of the intention of the Corporation to proceed with a certain transaction, the prices of the securities admitted to trading on a regulated market or multilateral trading facility. In these cases, the Corporation is required to have notified a call for expression of interest to at least three candidates, since the budget of the contract to be awarded



exceeds the thresholds of the direct award procedure and does not fall within the special exceptions of Directive 2014/24.

## 2.7. Authorizations

Regarding the award of contracts for Operational Services and the Provision of Services for the Fulfilment of the Corporation's Purposes, the following thresholds shall apply:

| Financial Scope (€) | Body  |
|---------------------|---|
| ≤20.000             | Chief Executive Officer jointly with the Executive Director or any person authorized for this by the Board of Directors |
| >20.000             | Board of Directors  |

Value Added Tax is not included in the above thresholds.

## 3. RECORD KEEPING

For every contract awarded, the competent division of the Corporation shall maintain an updated record including all documentation regarding the award, monitoring, payment and receipts.

## 4. PUBLICITY

This Regulation, following its approval by the General Assembly, is published mandatorily on the website of the Corporation.

Prior to its approval by the General Assembly and before any amendment to it, the Regulation is submitted to the Hellenic Single Public Procurement Authority for its consent.

## 5. TRANSITIONAL PROVISIONS

Pending the election of the first Board of Directors of the Corporation and the constitution of it into a body, the Supervisory Board of the Corporation shall represent and bind pursuant to art. 192 paragraph 9 of Law 4389/2016 the Corporation in relation to every competence of its bodies provided for in this Regulation, including the competences of paragraph 2.7. Where this Regulation provides for competences of the Board of Directors or a Member of it or authorized person by it or competences of any other executive of the Corporation, for example competences of the Chief Executive Officer, these are exercised by the Supervisory Board or by one or more members of the Corporation's Supervisory Board, which is designated as competent by the Supervisory Board.