



FILE 20130827-00556

**SPECIFIC CONDITIONS OF CONTRACT FOR
CONSULTANCY AND ACCOUNTING SERVICES**

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APPENDIX 1

1 PURPOSE

This document aims to establish the requirements for the choice of an advisory firm specialized in corporate finance, tax advice and accounting management services for the future branch of Ineco in Arabia.

2 SCOPE AND DESCRIPTION OF WORKS

The awarded party must have broad experience providing consulting services.

The contractor shall bear all the costs related to the performance of the services.

The bid tenderer will ensure no interruptions during the performing of the services and to have all the resources available to solve any incidence.

The services shall be provided on working days and during the project length according to Ineco's manager's decisions (subject to possible extensions in the project).

2.1. DESCRIPTION OF WORKS

Lot 1: Legal assistance/Expatriates management/Payroll and Personnel Administration.

The firm will report monthly and will have to provide throughout the intended duration of the works the following services:

- a) Collaboration in the pre-expatriation planning:
 - Support for writing letters of assignment and preparation of local contracts and amendments and extension.
 - Assistance on pre-calculations and gross up of the expatriate compensation package.
 - Assistance on the definition of the tax status of the employee during the period of expatriation and identification of the fiscal impact of rewards based on the same.
 - Social Security analysis.
- b) Collaboration in the local set up of the company:
 - Management and submission of all necessary documents related to labour and tax compliance on arrival.
 - Recording, reporting and registration with public bodies on arrival of expatriate employees in compliance with labour laws.
 - Advice on the recruitment of local staff and handling the entire process, including the preparation and submission of appropriate documents to government agencies.
- c) Local compliance:
 - Advice and support on the local legal regulations in force.
 - Preparation of the payroll, and - if necessary, check outs- of the salaries paid to both the local employees as well as the expatriate personnel, payslips issuing and delivery of monthly reports.
 - Calculation, preparation and submission of social insurance or any other obligation, according to Social Security, labour or Tax law that the company must carry out.
 - Management of contract terminations and layoffs, with ability to take all the processing thereof to any government agency until sentence.
 - Preparation of certificates requested by employees.
- d) Assistance to expatriates:
 - Guidance and support to expatriate employees to fulfill their personal obligations on immigration, or social security, including the preparation and submission of the necessary declarations.

Lot 2: Tax Compliance

- Tax Registrations.
- Annual Tax Filings.
- Withholding tax return filings.
- Corporate Tax payments.
- Zakat.

Management and support is required in order to comply with all taxes, accounting and legal obligations of the branch in Arabia.

Lot 3: Accounting

- Tax Management of Ineco's employees: payslips; withholding taxes, Social Security returns and others.
- Sales invoicing
- Monitoring and financial control: End of year accounts, raising of invoices required, trial balance, accounting record of the branch, incomes and expenses and reporting to Ineco Spain.

Lot 4: Audit

3 HUMAN AND TECHNICAL RESOURCES

The contractor must provide all the material, technical and human means necessary for the proper execution of the services.

3.1. HUMAN RESOURCES

In addition to the above mentioned, teams of professional experts will be favorably considered looking at providing a global service: lawyers, tax specialists, accountants, engineers, buyers, financial auditors, credit managers, logistics experts, former inspectors of finance, etc.

3.2. MATERIAL RESOURCES

All the materials and equipments must be provided by the contractor.

4 TERMS AND CONDITIONS

The Company must be duly qualified according to the existing legislation for the correct development of the services required in this document

The successful tenderer must obtain and pay for all certificates, approvals, authorities, taxes, royalties, duties, licenses and permits that are required to lawfully carry out the services. These should be included and indicated in the offered price.

The General Contracting Conditions of Ineco published on www.ineco.es and the General Contracting Conditions of the Plataforma de Contratación del Estado published on www.contrataciondelestado.es shall apply to the contract, as well as the present conditions.

There will be a monthly invoicing according to the scope of services previously reviewed and on the basis of the proposed quotation in appendix 1.

Ineco will not allow price revisions due to an increasing of costs.

5 COMMENCEMENT DATE AND TERMINATION OF THE CONTRACT

The provision of the services is expected to start on October 2013 and for a period of 12 months.

In case of extension of the contract duration by mutual agreement between the parties, such extension shall not exceed the duration of the originally contracted period and the contractor will maintain or will reduce the initially offered prices.

6 AMOUNT

The maximum amount payable for the execution of the services will not exceed 50.000 EUROS, VAT not included.

The contractor must specify fixed prices for each aspect of the services that it will provide, see appendix 1.

Ineco might not need to use the totality of the budget and retains the right to select any of the offered services individually.

Should the activity of the branch or Ineco's expatriate personnel decrease or cease for any reason whatsoever Ineco must not be charged for services not provided. A minimum fee should be offered for maintaining the branch operative without activity.

7 TECHNICAL RELIABILITY

The minimum criteria to be fulfilled by bidders are:

7.1 REFERENCES

A report is required describing similar services provided for the last 3 years in order to ensure that the bidder has full capacity and authority and all necessary qualifications to enter into and to perform the contract. CVs of the assigned personal to the project must be provided in order to assess their skills and their capacity to perform the assigned tasks.

7.2 MATERIAL, TECHNICAL AND HUMAN SUPPORT

The firm has to certify the availability of the requirements in point 3.

8 BID CONTENTS

The Consultant shall present an Economic Bid for all the work broken down into entries with unit prices according to the measurements given in the corresponding appendix.

The bid shall only include the unit prices for the units included in the specifications, in addition to the total price in function of stated measurements in order to be able to modify any measurement deemed necessary by INECO during work execution.

9 ASSESMENT CRITERIA

In the first phase, the bids received will be ranked by Ineco according to the most advantageous economic valuation, being selected the 3 companies which obtain the higher score. The score to be implemented in the first phase will be 80 points for the economic part and 20 points for the technical part

Once the bids have been rated in the first phase, Ineco may require additional information or improvements in the offers to the top rated companies, proceeding to a reassessment in a second phase. The score to be applied in the second phase will be 100% economical, unless any of the technical solutions provided would lead to an improvement for Ineco. In this case, it would compete again with the new technical requirements, among the listed companies and the score would be 80 points for the economic and 20 points for the technical part, being awarded the bid to the highest rated company.

9.1 EXCLUDING CRITERIAS

The following are reasons for exclusion:

- The requirements in point 3 are not met.
- The requirements in point 7 are not met.
- Final prices for each and every service are not provided.
- Not being registered in the Ineco Supplier Record, or failing to attach a commitment to do so within a period of fifteen (15) calendar days from reception of Ineco's requirement to do so.

9.2 TECHNICAL EVALUATION

Tenderes who reach a technical valuation less than 20 points will be disqualified.

The evaluation criteria will be as follows:

- Human and technical resources: 15 Points
- Equipment and facilities available: 5 Points

9.3 ECONOMIC EVALUATION

The economic offer shall be assessed according to the following formula:

$$Economic\ Score\ (ES) = \frac{\text{(the \% age that the price is lower than the maximum budgeted price)}}{\text{(\% age that the lowered received offer price is lower than the maximum budgeted price)}} \times 70 + 30$$

An offer that is 20 points lower than the average could be deemed inappropriate. In this case Ineco may request a detailed report that justifies the economic offer. The offer will be excluded in the event it is a reckless offer, which would put at risk the successful outcome of the work.

10 CONTENT OF TENDERS

10.1 TECHNICAL TENDER

The documentation should be sufficient to be able to analyze the ability to carry out mandated tasks. Dedication of the work equipment, experience in similar services, orientation to the needs of the client.

10.2 ADMINISTRATIVE DOCUMENTATION

You need to attach the following documentation:

- Company information: Company name, Fiscal ID number, purpose of the company (copy of statutes and / or modifications), registered office address.
- Details of the signatory on behalf of the company: name, power of attorney to sign the contract, a photocopy of his ID.

10.3 ECONOMIC TENDER

The economic proposal must contain the price with and without VAT and monthly and annual costs for the provision of the service. The quotation must be in euros, on the basis of the proposed quotation in appendix 1.

11 SUBMISSION OF TENDERS

All tenders shall be submitted in digital format to the following address: ofertas@Ineco.es.

The file that contains the economic tender shall be preferably identified as O.E.- 20130827-00556-PROVEEDOR and the file that contains the economic tender shall be identified as O.T.- 20130827-00556-PROVEEDOR.

In the even the file is larger than 15 Mb, it may be submitted in CD format to:

Purchasing and Procurement Unit
Paseo de la Habana 138
28036 Madrid

In both cases, the dossier number indicated on the Ineco website must be referenced.

The technical and economic tenders must be submitted on separate files, without the technical tender referencing the economic tender.

In the event of non-compliance with any of the requirements established in this section with regards to submitting tenders to a different address than that indicated, the bidder, at the discretion of the Purchasing and Procurement Unit.

APPENDIX 1:

Task:	Note:	Amounts
Lot 1: Legal assistance/Expatriates management/Payroll and Personnel Administration.	Price definition	
	The bidder will specify the amounts that shall be payable for the initial set up of the branch, as a closed monthly price and/or per employee or task performed.	
Lot 2: Accounting	Price definition	
	Closed monthly price, including up to a minimum amount of 300 movements per month.	
	The bidder will specify if the accounting charge increases for additional movements.	
Lot 3: Tax Compliance	Price definition	
a) Tax Registration	Closed price	
b) Annual Tax Filings	Closed monthly price.	
c) Withholdings tax return filings	Closed monthly price.	
d) Corporate tax payments	Closed monthly price.	
e) Zakat	Closed monthly price.	
Lot 4: Audit	Price definition	
	Closed annual price.	
Fee Without activity	Price definition	
	Closed monthly price that will be charged to maintain the branch with no activity.	
12 Months	TOTAL AMOUNT	