

# **Deposit Guarantee Fund**

**APPROVED**

**by the Tender Committee Meeting  
Minutes**

**No. 534/20 of December 03, 2020**

**Chair of Tender Committee**

**S. V. Rekrut**\_\_\_\_\_

## **TENDER DOCUMENTS**

**for the procurement of services of representing the Deposit Guarantee Fund and/or PJSC «VAB BANK», and/or PJSC «CB «FINANCIAL INITIATIVE» in judicial (criminal, civil, commercial) proceedings in respect of the recovery of damage (losses) caused to PJSC «VAB BANK» and/or PJSC «CB «FINANCIAL INITIATIVE», and/or their creditors by their related parties (owners, managers, and/or other parties referred to in part 1, Article 52 of the Law of Ukraine ‘On Banks and Banking’), in foreign jurisdictions (and in the jurisdiction of Ukraine as necessary)**

**1. The Client (procuring entity):**

1.1. Name: **Deposit Guarantee Fund**

1.2. EDRPOU Code: **21708016**

1.3. Location: **17 Sichovykh Striltsiv Street, Kyiv, 04053**

1.4. Officers authorized to contact bidders:

- Kostyukov Dmitro Igorovich, deputy head of the Damage Recovery Division, (email: [Kostyukov@fg.gov.ua](mailto:Kostyukov@fg.gov.ua), phone +380 98 238-25-10) in respect of technical matters;

- Bodnaruk Peter Mykolayovych, leading legal counsel of the Finance Department's procurement and contracting coordination unit (email: [Bodnaruk@fg.gov.ua](mailto:Bodnaruk@fg.gov.ua), phone +380 44 3333-566) in respect of organizational matters.

**2. Information about the Procurement Item**

2.1. The procurement item: **services of representing the Deposit Guarantee Fund and/or PJSC «VAB BANK», and/or PJSC «CB «FINANCIAL INITIATIVE» in judicial (criminal, civil, commercial) proceedings in respect of the recovery of damage (losses) caused to PJSC «VAB BANK» and/or PJSC «CB «FINANCIAL INITIATIVE», and/or their creditors by their related parties (owners, managers, and/or other parties referred to in part 1, Article 52 of the Law of Ukraine ‘On Banks and Banking’), in foreign jurisdictions (and in the jurisdiction of Ukraine as necessary)** (hereinafter referred to as the ‘Services’ or ‘Bidding’ as appropriate).

2.2. Description of the procurement item, including the necessary technical, qualitative, and other features, are **specified in Annex 1. «Terms of Reference» (TR) of the tender documentation.**

2.3. The procurement item does not fall within the scope of the Law of Ukraine ‘On Public Procurement’ under Article 3(5)(17).

**3. The “Result of Services” is:**

3.1. According to items 1-3 of the TR, the result of services is:

- **The Report** which should include: a list of transactions that will be the basis for future requirements; a list of persons who will meet such requirements; a list of assets held by potential defendants and their estimated market value; the estimated costs necessary to provide the compensation for damage; indicative time limits for achieving the Result of Services; indicative measures for damages, indicating the probability of success; suggestions for further strategies for providing legal services.

During the rendering of the Services specified in the items 1-3 of the TR, the Contractor shall provide the Client with interim reports on the progress of rendering the services no later than the 25th day of each month from the date of signing the contract.

- **The Strategy** for the provision of Services, which is approved after the Fund adopts the Report and must include: stages of legal services; indicative deadlines for completion of each of the legal services stages; the estimated costs necessary for each stage of the provision of legal services; indicative measures for damages, indicating the probability of success; options for alternative measures in case of failure at each stage, possibility and conditions of involvement of third parties for further financing of the Services within the framework of the implementation of the Strategy of rendering of Services.

3.2. According to items 1-3 of the TR, the result of services is:

- Reports on the implementation of the stages of the Strategy of rendering of the Services, approved by the Fund, and documents (in particular, issued by the authorities

of foreign jurisdiction), confirming the provision of services defined in items 4-8 of the TR.

3.3. The **Result of performing the TR** as a whole is:

Receipt of the recovered funds to the account of the PJSC «VAB BANK» and/or PJSC «CB «FINANCIAL INITIATIVE» (hereinafter referred to as the 'Banks' as appropriate as well), and/or the Fund, including those obtained as a result of the recovery of property and assets, in the framework of compensation for damage (losses) caused to the Banks and/or their creditors by related to the Bank persons (owners, managers and/or other persons designated by part one of Article 52 of the Law of Ukraine "On Banks and Banking"), in foreign jurisdictions (if necessary - in the jurisdiction of Ukraine).

**4. The cost of the Services and the procedure for payment for the Services rendered (the participant may choose one of the following options):**

<b>Option 1</b>	<b>Option 2</b>
<p><b>Cost of the Services:</b> A success fee of _____% of the amount that will be actually collected by the Contractor to the benefit of the Banks and/or the DGF from related parties of the insolvent banks as recovery of losses.</p> <p><b>The procedure for payment:</b> Services are paid for as a result of the completion of the TR as a whole in the following order: amount that will be actually collected by the Contractor to the benefit of the Banks and/or the DGF from related parties of the insolvent banks as recovery of losses shall be distributed in the following sequence and proportion: - 50% of the amount collected will be credited to the Fund and/or the Banks as compensation for the damage (losses) caused to the Banks and/or their creditors by related to the Banks persons (owners, managers and / or other persons designated by part one of</p>	<p><b>Cost of the Services:</b> Cost of the Services consist of: - the cost of the Services provided under items 1-3 of the TR; - the cost of the Services provided under items 4-8 of the TR in accordance with the stages of the Strategy approved by the Client; - a success fee of _____% of the amount that will be actually collected by the Contractor to the benefit of the Banks and/or their creditors, in particular the Fund, which exceeds the cost of the Services provided by the Contractor under items 1-8 of the TR.</p> <p><b>The procedure for payment:</b> Services are paid as follows: - an advance fee (fixed amount) of UAH _____ (however, not exceeding an amount of UAH 3 500 000,00) for Services provided under items 1-3 of the TR; - payment of the Contractor's expenses for rendering the Services according to items 4-8 of the TR in accordance with the stages of the Strategy approved by the Client - in the amount of _____ UAH / h the cost of the work of lawyers involved in litigation (including the cost of the work of lawyers involved by the Contractor); - the Contractor shall receive an amount of success fee (in percentage) from an amount of funds actually received as compensation for the damage (losses) caused to the Banks</p>

<p>Article 52 of the Law of Ukraine "On Banks and Banking")</p> <p>- from the remaining 50% of the amount collected - the remuneration (in percentage) and / or the person (s) financing the Services (within the amount of financing of the Services approved by the Client) shall be deducted and paid.</p> <p>- the balance of funds in excess of the financing of the Services shall be credited to the Fund and/or the Banks as compensation for the damage (losses) caused to the Banks and/or their creditors by related to the Banks persons (owners, managers and / or other persons designated by the first part of Article 52 of the Law of Ukraine "On Banks and Banking").</p>	<p>and/or their creditors, including the Fund in excess of 100% of the amount paid by the Client to the Contractor for the fulfillment of items 1-8 of the TR in accordance with the stages of the service Strategy on the date of each receipt of the recovered funds.</p>
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The aggregate fee of the Contractor's success fee (in percentage) provided for in Option 2 of the Tender Documents depends on the period during which the Result of the services will be achieved, the size of the actual recovery of the property shortage of PJSC «VAB BANK» and/or PJSC «CB «FINANCIAL INITIATIVE» and the amount of proceeds<sup>1</sup>:

<u>Up to 3 years</u>		<u>From 3 to 5 years</u>		<u>From 5 to 7 years</u>		<u>From 7 years</u>		cash flow condition in%
remuneration, %	remuneration, UAH	remuneration, %	remuneration, UAH	remuneration, %	remuneration, UAH	remuneration, %	remuneration, UAH	
0,8	≤ 192 364 264,92	0,68	≤ 163 509 625,18	0,56	≤ 134 654 985,44	0,4	≤ 96 182 132,46	≤ 20% of the property shortage
1,6	≤ 384 728 529,83	1,36	≤ 327 019 250,36	1,12	≤ 269 309 970,88	0,8	≤ 192 364 264,92	≤ 40% of the property shortage
2,4	≤ 577 092 794,75	2,04	≤ 490 528 875,54	1,68	≤ 403 964 956,32	1,2	≤ 288 546 397,37	≤ 60% of the property shortage
3,2	≤ 769 457 059,66	2,72	≤ 654 038 500,71	2,24	≤ 538 619 941,77	1,6	≤ 384 728 529,83	≤ 80% of the property shortage
4,0	≤ 961 821 324,58	3,4	≤ 817 548 125,89	2,8	≤ 673 274 927,21	2,0	≤ 480 910 662,29	≤ 100% of the property shortage

## 5. Other requirements:

5.1. In case the Contractor fails to provide the results of rendering of the Services defined in item 3.1. of the bidding documents within four months from the conclusion of

<sup>1</sup> in the case of approval of the strategy for only one bank out of two, the calculation of the maximum amount of the Contractor's success fee is based on a similar formula and on the amount of the property shortage of an individual bank on the date of the contract

the Contract, the Contractor shall return to the Fund and/or the Banks the amount of the paid advance within 10 (ten) working days from the moment of submission of the relevant request by the Fund (the requirement applies in case of the Contractor choosing the type of payment provided for in clause 4.2. tender documentation).

5.2. The Services shall be provided, and communication with the Parties shall be in writing or orally in Ukrainian and English, with provision of the Ukrainian translations of documents. At the request of the Contractor, the Client may agree that there is no need for translation.

5.3. The Contractor remains fully responsible for the proper instruction of all third-party contractors used and for the provision of Services by third parties and for verifying the presence/absence of a conflict of interest with the Fund and the Banks.

5.4. The governing law of the contract shall be the substantive law of Ukraine. Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved in the International Commercial Arbitration Court under the auspices of the Ukrainian Chamber of Commerce and Industry. The disputes shall be settled in accordance with the rules of the aforementioned Court. The number of arbitrators shall be one. The seat or place of arbitration shall be Kyiv, Ukraine. The language of the arbitration shall be Ukrainian.

5.5. Payments with the Contractor (resident of Ukraine) are made in UAH. Payments with the Contractor (non-resident) are made in Sterling Pound (GBP). The conversion of the cost of services in Sterling Pound shall be made at the National Bank of Ukraine's official rate at the date of purchase by the Client of foreign currency for payment. In case of fluctuation of the GBP / UAH, fixed at the date of determining the Contractor winner of the Contest, more than 20% lasting more than ten banking days, the Services' cost may be revised.

6. Terms of Services: until the receipt of the Result of Services.

#### **7. Bid Submission.**

7.1. Place for submissions: **17 Sichovykh Striltsiv Street, Kyiv, 04053.**

7.2. Method of submission: **in-person to the DGF Clerical Office or by mail.**

7.3. Deadline for submissions: **by 10:00 AM on January 12, 2021.**

#### **8. Bid Opening.**

8.1. Venue: **17 Sichovykh Striltsiv Street, Kyiv, 04053.**

8.2. Date and time: **2:30 PM on January 12, 2021.**

#### **9. Additional Information:**

9.1. A bid shall be submitted by a bidder in writing in Ukrainian (for non-resident bidders - in Ukrainian and English. The Ukrainian text shall prevail in the case of differences between texts in English and Ukrainian) on the bidder's letterhead with a signature of the authorized officer and shall be placed in a sealed envelope (hereinafter referred to as «Envelope 1 Qualifications and other documents», «Envelope 2 Service Delivery Strategy Plan», «Envelope 3 Price Bid»).

The following data must be provided on the envelope:

- the contents of the envelope (referred to as «Qualifications and other documents» or «Service Delivery Strategy Plan» or «Price Bid»);
- full name and location of the Client;
- procurement item;

- complete identification of the bidder, its address, identification code, contact phone numbers, and email address;

- text for Envelope 1 «Do not open before \_\_\_\_\_» specifying the date and time to open the bids; for Envelope 2 «Open in case of admission to stage II»; for Envelope 3 «Open in case of admission to stage III».

9.2. A bid must contain:

In the Envelope 1:

- documents that demonstrate the conformity with qualification and other requirements as specified in Annex 3;

- a statement of the absence of the conflict of interest and a declaration of integrity in the format of Annex 4;

- a confidentiality agreement among the bidder, the Banks, and the DGF in the format of Annex 5.

In the Envelope 2:

- a Service Delivery Strategy Plan in the format of Annex 6.

In the Envelope 3:

- a quotation in the format of Annex 2.

9.3. A bid must meet all of the requirements set forth in the Tender Documents. A bid of the participant that does not meet the requirements established in the Tender Documents, in particular in the following cases: non-compliance with qualification and other requirements; the presence of a conflict of interest; non-confirmation of the participant's integrity; failure to provide documents provided for in the Tender Documents, including in Ukrainian - may be rejected and not allowed for evaluation, as notified by the relevant participant.

9.4. The DGF will select the successful bidder in the following way:

- at Stage I, the bids will be evaluated for the conformity with qualification criteria and requirements listed in Annex 3 to the Tender Documents (under the methodology in Annex 7 to the Tender Documents), and for the conformity with other requirements in Annex 3, the absence of the conflict of interest and a declaration of integrity as per the Statement referred to in Annex 4 (Envelope 1).

The DGF Tender Committee shall make a decision to reject a bid (in particular, in the case of assessment of compliance with the qualification requirements below 70%, in the manner provided in Annex 7 to the Tender Documents) or accept it for the next stage based on the evaluation of the bidder's conformity with other requirements (including no conflict of interest and a declaration of integrity) and the evaluation of the conformity with qualification criteria set in the methodology in Annex 7 to the Tender Documents; the evaluation shall be carried out by the DGF Bid Evaluation Working Group.

At Stage II the Envelope 2 of the participants whose proposals are accepted as a result of the evaluation at Stage 1 of the Contest is opened.

- at Stage II, the Service Delivery Strategy Plans submitted by bidders for the provision of Services of representing the Deposit Guarantee Fund and/or PJSC «VAB BANK», and/or PJSC «CB «FINANCIAL INITIATIVE» in judicial (criminal, civil, commercial) proceedings in respect of the recovery of damage (losses) caused to the Banks and/or their creditors by the Banks related parties (owners, managers, and/or other parties referred to in part 1, Article 52 of the Law of Ukraine 'On Banks and Banking', in foreign jurisdictions (and in the jurisdiction of Ukraine as necessary) (Envelope 2) will be evaluated for their consistency with the Client's objective of obtaining the Services.

At this stage, the bidder shall present its Service Delivery Strategy Plan to the DGF Working Group tasked with the evaluation of the bids for:

- the efficiency of suggested measures supported with examples of applying specific provisions of substantive law and procedural law, including judicial practice;
- approaches and methods of the Service Delivery Strategy Plan;
- the comprehension of the Terms of Reference;
- the consistency of the professional level of employees with the measures listed in the Service Delivery Strategy Plan.

The DGF Tender Committee shall make a decision to reject a bid (in particular, in the case of evaluation of the bid of the participant below 70%, under the methodology in Annex 8 to the Tender Documents) or accept it for the next stage as a result of evaluating Service Delivery Strategy Plans of bidders under the methodology in Annex 8 to the Tender Documents; the evaluation shall be carried out by the DGF Bid Evaluation Working Group.

Bidder's bid that does not meet the requirements set out in the bidding documents, in particular in cases of: non-compliance with qualifications and other requirements; the presence of a conflict of interest; failure to confirm the participant's integrity; inconsistency of the Service Delivery Strategy Plan to their purpose - is rejected and is not allowed to the third stage of the Contest - the opening of bids and determining the winner, which is informed by the respective participant.

- at Stage III, the bidding of participants (Envelope 3) is opened, the competitive bids of which are admitted as a result of evaluation at the first and second stages of the Contest and are fixed by the Fund in the relevant protocol of opening of the bidding.

At this Stage the DGF, holding the tender, is entitled to apply the 'price reduction' procedure. The 'price reduction' procedure will take place after the bids are open and checked for their compliance with the qualification and other criteria specified in the Tender Documents. Bidders, whose bids are compliant, will be invited to take part in the price reduction procedure (by means of the email message) including via video conferencing.

During the procedure, the attendees representing bidders will be invited to voluntarily reduce the bid price by announcing the next reduced bid price until each bidder states that the bid price is final.

In the case a bidder or its authorized representative is absent during this procedure, the bid price stated in the bid or the bid price indicated by the bidder in its email and marked as final before the price reduction procedure will be deemed to be final.

The final price will be entered in the price reduction record subject to signing by all the attending bidders.

The bidders, who have reduced their bid price compared to the initial price, must send a scanned copy of the adjusted quotation to the email address of the officer (on organizational issues), specified in item 1.4. tender documentation by 6:00 PM of the business day following the day of the price reduction procedure. The adjusted bid shall be subject to the requirement that item prices stated in such bid must not be higher than the corresponding item prices stated in the initial bid.

Annex 10 of the tender documentation contains the regulations for the procedure of "price reduction", if the participants who have chosen Option 2 to calculate the cost of Services provided for in paragraph 4 of the tender documentation are admitted to this procedure.

9.5. The DGF has the right to reject the bid of the participant at any stage of the Contest in case of establishing a conflict of interest of such participant (including the employee of the participant, the third parties involved in the provision of Services) and / or establishing the fact (s) dishonesty of the participant (including the employee of the participant, the third parties involved by the participant in the provision of Services).

9.6. The DGF determines the winner of the Contest by a single criterion - the lowest price determined by the DGF based on the evaluation of the proposals of participants at the first, second and third stages of the Contest.

Preference will be given to the bidders who selected the Service Fee calculation option described in item 2.3.1 of the Tender Documents; in this case, bids submitted by bidders, who opted for the Service Fee calculation under item 2.3.2, will be disregarded.

If all the bidders have opted for the Service Fee calculation in line with item 2.3.2 of the Tender Documents, the successful bidder will be selected using the methodology described in Annex 9 to the Tender Documents.

If a non-resident bidder is determined as the winner of the Tender, for the purpose of applying clause 5.5 of this Tender Documents the cost of services indicated in the winner's price offer shall be fixed in pounds sterling (GBP) at the official exchange rate of the National Bank of Ukraine.

9.7. The DGF will notify the bidders and the successful bidder of the tender results. Notices of bid rejection, successful bidder selection, and tender results will be sent by the Client to the email addresses of the relevant bidders.

9.8. The DGF may request that bidders clarify their submissions' contents to simplify their review.

9.9. The DGF may cancel (in full or in part) the tender at any stage of the tender for any reason. Notice of tender cancellation (partial cancellation) will be sent by the Client to the concerned bidders' email addresses.

**S. V. REKRUT, Chair of the Tender Committee**



## TERMS OF REFERENCE

The procurement item is the services of performing a set of actions aimed at the recovery of damage (losses) caused to the PJSC «VAB BANK» and/or PJSC «CB «FINANCIAL INITIATIVE», and/or their creditors, and to the DGF in particular, by the Banks` related parties (owners, managers, and/or other parties referred to in part 1, Article 52 of the Law of Ukraine ‘On Banks and Banking’), in foreign jurisdictions (and in the jurisdiction of Ukraine as necessary), including, but not limited to:

1) arrangement for the comprehensive research, the obtainment of expert opinions / reports / assessments and/or other materials required to detect and document the facts of causing damage, the performance of other acts related to generating the body of proof and developing the strategy of the Contractor’s Services to recover losses from the Banks` related parties, including:

- remote analysis of the automated banking system «Operational Day of PJSC «VAB BANK»;

- remote analysis of the automated banking system «Bank's Operating Day» and servers of PJSC «CB «FINANCIAL INITIATIVE» with an opinion on the possibility / impossibility of recovering lost data and in case of possibility of their recovery - on further use of such data during further measures;

2) development and submission of reasonable proposals on specific foreign jurisdictions where the core litigation (court proceedings) would be initiated for the recovery of damage from the Banks` related parties;

3) performance of measures aimed at search the funds (assets) of the Banks transferred away from the territory of Ukraine as a result of unlawful acts perpetrated by the Banks` related parties;

4) taking measures to seize ("freeze") and further return the withdrawn funds (assets) of the Banks outside Ukraine due to illegal actions of the Banks` related parties;

5) support of litigation and represent interests of the DGF and/or the Banks in foreign jurisdictions in respect of the recovery of damage (losses) from the Banks` related parties (and in the Ukrainian jurisdiction as necessary);

6) support for criminal investigations into the facts of the damage (losses) caused to the Banks by the Banks` related parties in foreign jurisdictions (and in the Ukrainian jurisdiction as necessary);

7) assurance of the enforcement of decisions made by foreign jurisdiction authorities on the recovery of the damage (losses) caused to the Banks and/or their creditors and to the DGF in particular by the Banks` related parties;

8) performance of other extra-judicial and judicial actions aimed at recovering damage (losses) caused to the Banks and/or their creditors and to the DGF in particular by the Banks` related parties.

The Contractor must represent the DGF and/or the Banks in accordance with provisions of the international law and the current legislation of Ukraine, including:

- Law of Ukraine ‘On the Household Deposit Guarantee System’;
- Law of Ukraine ‘On Banks and Banking’;
- Law of Ukraine ‘On Personal Data Protection’;
- Law of Ukraine ‘On Information’;

- other regulatory instruments applied in the case of the settlement of the relevant legal relations;
- international instruments (depending on the applicable jurisdiction).

### **General information about Banks.**

According to the Resolution of the Board of the National Bank of Ukraine No. 188 of March 19, 2015, 'On Revoking the Banking License and Liquidating PJSC «VAB Bank»', the Executive Directorate of the Deposit Guarantee Fund took its Decision No. 63 of March 20, 2015, 'On Commencing the Liquidation of JSC «VAB Bank» and Delegating the Bank Liquidator Authority'. Currently, the JSC «VAB Bank» liquidation procedure is ongoing.

The balance of unsatisfied accounts payable of PJSC «VAB Bank» as of November 16, 2020 is UAH 14 487 166 031,63.

The appraisal value of the liquidation pool of PJSC «VAB Bank» as of November 16, 2020 is UAH 0.00.

The shortage of the property of PJSC «VAB Bank» amounts to UAH 14 487 166 031,63.

An individual, Mr. Bakhmatyuk Oleg Romanovich, who holds 86,7780 % share, is the indirect (through Quickcom Limited, Cyprus) and the biggest qualified shareholder of PJSC «VAB Bank» in accordance with the Information about the Final Key Participants in the Ownership Structure of PJSC «VAB Bank» as of January 01, 2015, posted on the official website of the National Bank of Ukraine at [https://bank.gov.ua/files/Shareholders/380537/380537\\_20150101.pdf](https://bank.gov.ua/files/Shareholders/380537/380537_20150101.pdf).

According to the Resolution of the Board of the National Bank of Ukraine No. 352 of May 21, 2019, 'On Revoking the Banking License and Liquidating PJSC «CB «FINANCIAL INITIATIVE»', the Executive Directorate of the Deposit Guarantee Fund took its Decision No. 1268 of May 22, 2019, 'On Commencing the Liquidation of PJSC «CB «FINANCIAL INITIATIVE» and Delegating the Bank Liquidator Authority'. Currently, the PJSC «CB «FINANCIAL INITIATIVE» liquidation procedure is ongoing.

The balance of unsatisfied accounts payable of PJSC «CB «FINANCIAL INITIATIVE» as of November 16, 2020 is UAH 13 984 933 053,81.

The appraisal value of the liquidation pool of PJSC «CB «FINANCIAL INITIATIVE» as of November 16, 2020 is UAH 4 426 565 970,92.

The shortage of the property of PJSC «CB «FINANCIAL INITIATIVE» amounts to UAH 9 558 367 082,89.

The overall shortage of the property of the Banks amounts to UAH 24 045 533 114,52.

An individual, Mr. Bakhmatyuk Oleg Romanovich, who holds 100 % share, is the indirect (through Quickcom Limited, Cyprus and Invest Service LLP, Ukraine) qualified shareholder of PJSC «CB «FINANCIAL INITIATIVE» in accordance with the Information about the Final Key Participants in the Ownership Structure of PJSC «CB «FINANCIAL INITIATIVE» as of January 01, 2019, posted on the official website of the National Bank of Ukraine at [https://bank.gov.ua/files/Shareholders/380054/380054\\_20190101.pdf](https://bank.gov.ua/files/Shareholders/380054/380054_20190101.pdf).

It should also be noted that Bakhmatyuk Oleg Romanovich is the owner of UKRLANDFARMING PLC, one of the largest tenants of agricultural land engaged in grain production and cattle breeding.

UKRLANDFARMING PLC completed the issuance of its debut unsecured Eurobonds denominated in US dollars On March 26, 2013.

Issue volumes - face value USD 275 million main issue, USD 150 million additional issue, USD 75 million additional issue.

Listing - Irish Stock Exchange (currently Euronext Dublin).

Full information about the issue, issuer and condition of the security is available on the website of the exchange and the website <http://ua.cbonds.info/emissions/issue/36149>

The group of companies UKRLANDFARMING PLC also includes one of the largest agro-industrial companies in Ukraine, specializing in the production of eggs and dried egg products - AVANGARDCO IPL. This company is the largest exporter of eggs and dried egg products from Ukraine.

AVANGARDCO IPL successfully conducted an IPO on the London Stock Exchange (company page on the London Stock Exchange at the link (<https://www.londonstockexchange.com/stock/AVGR/avangardco-investments-public-limited/company-page>) and involved investments of more than \$ 200 million, and another \$ 200 million were raised through the placement of Eurobonds in 2010.

### **Summary of identified unprofitable transactions with a foreign element.**

During the analysis of operations of PJSC «VAB BANK» the Fund identified the following unprofitable operations for the Bank with the presence of a foreign element:

- payment of interest on Eurobonds of the issuer - a company registered in the United Kingdom (liquidated on October 31, 2017) in the total amount of more than 41.5 million US dollars. The yield on these bonds was 10.5% on a quarterly basis, and this interest rate exceeded the usual European rates, which amounted to LIBOR plus 1-3%.

- withdrawal by a group of companies of accumulated credit funds to current accounts opened with a Lithuanian bank, to non-resident companies related to the bank (registration British Virgin Islands, Panama) in the total amount of more than 33 million US dollars;

- withdrawal by the group of companies of the Bank's funds in favor of a non-resident company (US registration) in the amount of more than USD 1.8 million by opening uncovered documentary letters of credit.

Also, on November 20, 2014, PJSC «VAB BANK» transferred funds in the amount of USD 39,516,137.36 in the balance from the account «Correspondent account opened with Meind Bank AG» to the account of debit amounts until clarification. **However, this operation is not included in the study of this procurement of services.**

In addition, it should be noted that since September 2011 and until now, the owner of a significant stake in PJSC «VAB BANK» is the company Quickcom Limited (Quickcom Limited, Cyprus).

Of particular note is the fact that, according to the balance sheet assets of PJSC «VAB BANK», PJSC «CB «FINANCIAL INITIATIVE», which is also owned by Quickcom Limited (Quickcom Limited, Cyprus), had the largest liabilities to it. These liabilities in the amount of almost UAH 640 million were reflected in the correspondent account of PJSC «CB «FINANCIAL INITIATIVE», which was opened in PJSC «VAB BANK».

In addition, a significant part of payments from accounts opened with PJSC «VAB BANK» was made to accounts opened with PJSC «CB «FINANCIAL INITIATIVE».

The detailed information and necessary documents will be provided to representatives of the bidders for acquaintance after signing the Information statement no conflict of interest in the form given in Annex 4 of the tender documentation and the Nondisclosure agreement in the form given in Annex 5 of the tender documentation (for nonresident participants - scanned copies of the documents signed by the non-resident participant at fgvfo@fg.gov.ua) from December 03, 2020, till January 11, 2021, between 10:00 AM and 5:00 PM at: 17 Sichovykh Striltsiv Street, Kyiv, 04053. Bidders are requested to contact the officer in charge of technical matters in order to acquaint with the documents.

**S. V. REKRUT, Chair of the Tender Committee**

## QUOTATION

\_\_\_\_\_ submits herewith its quotation for the provision of services of representing the Deposit Guarantee Fund and/or PJSC «VAB BANK», and/or PJSC «CB «FINANCIAL INITIATIVE» (hereinafter referred to as the ‘Banks’ as appropriate as well) in judicial (criminal, civil, commercial) proceedings in respect of the recovery of the damage (losses) caused to the Banks and/or their creditors by the Bank`s related parties (owners, managers, and/or other parties referred to in part 1, Article 52 of the Law of Ukraine ‘On Banks and Banking’), in foreign jurisdictions (and in the jurisdiction of Ukraine as necessary), and agrees to deliver the aforementioned Services in accordance with requirements stated in these Tender Documents on the basis of the following quotation:

Procurement item	Calculation method	
	Fee, %	Advance fee (UAH), cost reimbursement (UAH per hour), fee (%)
Services of representing the Deposit Guarantee Fund and/or PJSC «VAB BANK», and/or PJSC «CB «FINANCIAL INITIATIVE» in judicial (criminal, civil, commercial) proceedings in respect of the recovery of the damage (losses) caused to PJSC «VAB BANK» and/or PJSC «CB «FINANCIAL INITIATIVE», and/or their creditors by the Bank`s related parties (owners, managers, and/or other parties referred to in part 1, Article 52 of the Law of Ukraine ‘On Banks and Banking’), in foreign jurisdictions (and in the jurisdiction of Ukraine as necessary)		Advance fee of UAH ____
		Cost reimbursement of UAH ____ per hour
		Fee ____%

If the above quotation is accepted, we undertake to sign a Service Delivery Contract with the Banks and/or the DGF within 20 business days of the selection of the successful bidder and will commit to meeting all the terms and conditions of the said contract.

\_\_\_\_\_  
(position and full name of the authorized officer of the Bidder)

\_\_\_\_\_  
(signature)

### Qualification Requirements to Bidders

Qualification Criteria	Requirements under the Criterion	Supporting Documents
<p>1. The availability of staff with relevant qualifications, necessary expertise, and experience</p>	<p>1. Bidders must be in possession of employees and/or a contractor (contractors) employed to represent the DGF and/or the Banks in foreign jurisdictions who have experience in representing Clients (corporate creditors / affected parties) for the recovery of funds, including losses, and the enforcement of decisions of foreign jurisdiction authorities, specifically:</p> <ul style="list-style-type: none"> <li>- a lawyer (lawyers) vested with the right to represent Clients before the courts foreign jurisdictions, including member states of the European Union and the United Kingdom and the courts of Ukraine);</li> <li>- an auditor (auditors), a forensic specialist (specialists);</li> <li>- an asset tracing specialist (specialists);</li> </ul> <p>Note: Preference will be given to a bidder, whose employees and/or contractors have represented a bank institution Client as a creditor/affected party in damage (loss) recovery proceedings in foreign jurisdictions and which has the successful experience of enforcing the decisions of foreign jurisdiction authorities.</p>	<p>1. A free-format statement signed by the bidder on the list of employees (including employees of the contractor (contractors)) who will be engaged for the Service Delivery.</p> <p>2. Copies of diplomas, certificates, other documents confirming the specialist area and legal status of employees listed in the statement. *</p> <p>3. A portfolio for each employee with an indication of the education degree, places of prior employment, the experience of performing similar assignments, and other details essential to assess such an employee's qualification.</p> <p>4. A copy of a contract (memorandum, etc.) of cooperation (service delivery, etc.) with the contractor (contractors), on whose basis the services of representing interest will be provided in foreign jurisdictions and at the stage of the enforcement of decisions of foreign jurisdiction authorities.</p> <p>5. A copy of the valid contract (s) of professional insurance of the professional activity of the lawyer (s) empowered by the participant, which are empowered to represent interests in the courts of foreign jurisdictions, in particular in the countries of the European Union, the United Kingdom and the courts of Ukraine.</p>
<p>2. Experience in the performance of similar contracts</p>	<p>1. A bidder must have the successful experience of representing its Clients (corporate creditors / affected parties) in cases of the recovery of funds, including losses, and the enforcement of foreign jurisdiction authorities' decisions.</p>	<p>1. Bidder-authenticated copies of decisions of foreign jurisdiction authorities (without disclosing personal data of the Clients) in cases involving the representation of Clients (corporate creditors / affected parties) claiming funds (including losses), where the Clients were represented by the bidder and/or the contractors* ;</p>

	Note: Preference will be given to a bidder, whose employees and/or contractors have represented a bank institution Client as a creditor/affected party in damage (loss) recovery proceedings in foreign jurisdictions and which has the successful experience of enforcing the decisions of foreign jurisdiction authorities.	<p>a free-format statement of the bidder with a detailed description of the litigation of the aforementioned cases of the representation of Client (corporate creditors / affected parties) in foreign jurisdictions in terms of claiming funds (including losses), where the Client was represented by the bidder and/or contractors, with the indication of the specific positive outcomes achieved;</p> <p>a free-format statement by the bidder with a detailed description of the support to enforcement of the aforementioned decisions of foreign jurisdiction authorities (without disclosing personal data of the Clients) by the bidder and/or its contractors.</p>
3. Impeccable business reputation	The corpus of verified information about the entity, which enables a conclusion that it operates in accordance with legislation.	<p>Reference letters from at least three (3) Clients, to which the bidder and/or its contractors provided services*:</p> <ul style="list-style-type: none"> <li>- representing them in foreign jurisdictions to recover funds, including losses, caused to a legal entity (bank);</li> <li>- of enforcing the decisions made by foreign jurisdiction authorities;</li> <li>- of tracing the assets used to recover losses (damage);</li> <li>- of exercising comprehensive researches required to detect and document the facts of causing losses (damage).</li> </ul>

\* Non-resident bidders shall submit documents together with their official translation into Ukrainian. The text in Ukrainian will prevail in the case of differences between the language in the document text and the official translation language.

### **General Requirements for Bidders \***

№	Question	Answer
Section 1. General information about the participant:		
1.1.	Full name	
1.2.	Registration Date	
1.3.	Bank details	
1.4.	Code of the legal entity - participant **	
1.5.	Tax Identification Number (Individual Tax Number) **	
Section 2. Participant Leader Information:		

2.1.	Name, position, passport data, registration number of taxpayer's account card (if any) manager **	
2.2.	Name, passport details, taxpayer's registration card registration number (if applicable) chief accountant	
2.3.	Name, position, passport data, registration number of the taxpayer's account card (if any) of the authorized person **	
Section 3. Information about the owner and beneficiaries of the participant:		
3.1.	Name, legal form and code - for legal entities/name, passport data and registration number of the taxpayer's account card (if any) - for individuals **	
Section 4. Contact information of the participant:		
4.1.	Location	
4.2.	Phone / Fax	
4.5.	Email	
4.6.	Website	
<u>Position</u>		<u>Signature</u>
		<u>Full Name</u>

### **Other Requirements for Bidders \***

Requirement	Supporting Documents **
1. The bidder is not a party related to other bidders in the same bidding procedure and/or a member (members) of the Committee.	A free-form statement signed by the bidder's authorized officer to certify that the bidder in the qualification-based selection is not a party related to other bidders in the same bidding procedure and to members of the tender committee.
2. The bidder is not subject to a solvency restoration procedure initiated in accordance with the procedure prescribed by law; the bidder has not been found bankrupt and is not subject to a liquidation procedure.	An information statement from the Single Register of Enterprises in Bankruptcy Proceedings or a free-form statement signed by the authorized officer of the bidder to certify that the bidder has not been subject to the solvency restoration procedure initiated in accordance with the procedure prescribed by law, that the bidder has not been found bankrupt, and that the bidder is not subject to the liquidation procedure.
3. The bidder on no date has been a qualified shareholder of an insolvent bank or a bank in liquidation, or a member of the governing body of a corporate bidder, has not held a position for more than six months in governance and controlling bodies of a bank classified as insolvent or a bank in liquidation, or has not worked as the chief internal auditor of such bank.	A statement in any form signed by the authorized officer of the bidder to certify that the bidder has not been a qualified shareholder of an insolvent bank or a bank in liquidation and a statement in writing by a member of the governing body of a corporate bidder that he or she has not held a position for more than six months in governance and controlling bodies of a bank classified as insolvent or a bank in liquidation, or has not worked as the chief internal auditor of such bank.
4. The information about the corporate bidder has not been recorded in the Single State Register of Individuals Who Perpetrated Corruption Offences or Corruption-Related Offences.	A statement in any form signed by the corporate bidder's chief executive officer to certify that the information about the bidder has not been recorded in the Single State Register of Individuals Who Perpetrated Corruption Offences or Corruption-Related Offences.



<p>5. The individual bidder or the chief executive officer of the corporate bidder has not been prosecuted for perpetrating a corruption offence.</p>	<p>An information statement from the Single State Register of Corruption Offenders in respect of the individual bidder / the chief executive officer of the corporate bidder, or a statement in any form signed by the authorized officer of the bidder to certify that the individual bidder / the chief executive officer of the corporate bidder has not been prosecuted for perpetrating a corruption offence, or a print-screen from the website <a href="http://corrupt.informjust.ua/">http://corrupt.informjust.ua/</a> in respect of the individual bidder / the chief executive officer of the corporate bidder.</p>
<p>6. The bidder has not been prosecuted for the violations covered by clause 4, part 2, Article 6, Section 2 or clause 1, Article 50, Section 8 of the Law of Ukraine ‘On Protecting the Economic Competition’ in the form of concerted anti-competition practices over the last three years.</p>	<p>A statement in any form signed by the authorized officer of the bidder to certify that the bidder has not been held liable for violations covered by clause 4, part 2, Article 6, Section 2 or clause 1, Article 50, Section 8 of the Law of Ukraine ‘On Protecting the Economic Competition’ over the last three years.</p>
<p>7. The individual bidder / the chief executive officer of the corporate bidder has not been convicted of an offense perpetrated on mercantile motives, or any conviction has been cleared or expunged in accordance with the procedure prescribed by law.</p>	<p>A statement in the prescribed format (for instance, obtained online) issued by a territorial body of the Ministry of Interior of Ukraine to certify that the individual bidder / the chief executive officer of the corporate bidder has not been convicted of an offense perpetrated on mercantile motives or that his/her conviction has been cleared or expunged in accordance with the procedure prescribed by law. The statement must be issued on or after the tender document’s publication day on the DGF website.</p>
<p>8. The information about the ultimate beneficial owner (controller) of the Ukrainian resident legal entity, which is a bidder in the qualification-based selection procedure, is available in the Single State Register of Legal Entities, Sole Traders, and Public Associations as prescribed by Article 9(2) of the Law of Ukraine ‘On State Registration of Legal Entities and Sole Traders, and Public Associations.’ Note: If the corporate bidder is not a resident of Ukraine, the information about the ultimate beneficial owner (controller) of this corporate entity must be available in a state register functioning under the laws of the bidder’s country of incorporation.</p>	<p>An excerpt from the Single State Register of Legal Entities, Sole Traders and Public Associations, or a print-screen from the website <a href="https://usr.minjust.gov.ua/ua/freesearch">https://usr.minjust.gov.ua/ua/freesearch</a>. If the aforementioned Register does not contain details of the ultimate beneficial owner of the bidder, the bidder must submit an explanatory statement together with the Excerpt or the print-screen to specify the grounds for the missing record in the Single State Register. This statement shall be signed by an authorized officer of the bidder. An excerpt from the appropriate state register that functions under the laws of the country of incorporation of a corporate bidder, which not resident in Ukraine. If the Register in question lacks details of the ultimate beneficial owner of the bidder, the bidder must submit an explanatory statement together with the excerpt or the screen-print to specify the grounds for not recording the information in question in the Register. This statement shall be signed by an authorized officer of the bidder.</p>
<p>9. The bidder does not have any debt related to the payment of taxes, duties, and fees.</p>	<p>A statement in the prescribed format (including in the electronic form) or a letter issued by a territorial body of the State Fiscal Service of Ukraine (or, for non-residents of Ukraine, a statement by the appropriate fiscal agency of the bidder’s country of incorporation) to certify that the bidder has no debt related to the payment of taxes, duties, or fees outstanding as of the qualification bid submission date. If a letter is submitted, its date must not be before the</p>

	qualification bids submission date under this selection procedure.
10. The Bidder exercises business in accordance with provisions of its constituting documents.	A copy of constituting documents authenticated with the signature of the authorized officer of the bidder.

A bidder may discretionary provide additional materials to evidence the conformity with the above requirements. All the documents (other than original statements, excerpts, and other documents issued to the bidder by state authorities, institutions, organizations, banks, and other entities other than the bidder) submitted by the bidder to certify the conformity with the above requirements must be signed by the authorized officer of the bidder.

\* Bidders listed in the List of Entities Selected by the Deposit Guarantee Fund in the stream ‘Legal Councilors (including Working with Assets)’ in the field ‘representation of insolvent banks and banks in liquidation, and protection of their rights before courts of foreign jurisdictions and international arbitration tribunals’ shall not be required to submit documents to certify their conformity with other requirements.

\*\* Non-resident corporate bidders shall submit documents required by the laws of their country of incorporation together with their official translation into the Ukrainian language. The text in Ukrainian will prevail in the case of differences between the language in the document text and the official translation language.

**INFORMATION STATEMENT**  
**no conflict of interest**

\_\_\_\_\_, in connection with the intent to take part in the open bidding for the services of performing a set of actions to recover damage (losses) from the related parties of PJSC «VAB BANK» and/or PJSC «CB «FINANCIAL INITIATIVE» (owners, managers, and/or other parties referred to in part 1, Article 52 of the Law of Ukraine ‘On Banks and Banking’) in foreign jurisdictions (and in the jurisdiction of Ukraine as necessary), discloses hereby the absence of any conflict of interest, either actual or potential, between the private interest of \_\_\_\_\_ and its potential powers as a representative of the DGF capable of affecting the objectivity or impartiality in the Service Delivery, or the performance or non-performance of actions in the course of the Service Delivery, as well as confirms that the bidder (including the bidder’s employees, corporate or individual contractors engaged by the bidder for the Service Delivery) does not represent any third parties in disputes or legal relations against the DGF and/or other insolvent banks, which are (were) in liquidation by the DGF, who act or will act as opponents in any disputes against the DGF and / or insolvent banks on claims for damages.

\_\_\_\_\_ undertakes to:

- take measures aimed at the prevention of any actual or potential conflict of interest;
- notify the Client of the detection of the actual or potential conflict of interest on the next business day of such detection at the latest;
- abstain from actions and decisions in the circumstances of the actual conflict of interest;
- take measures to settle the actual or potential conflict of interest.

\_\_\_\_\_ undertakes not to encourage its employees in any manner to make decisions, perform actions or inaction contrary to requirements of the legislation and interests of the DGF and PJSC «VAB BANK», and/or PJSC «CB «FINANCIAL INITIATIVE» to the benefit of its private interests or private interests of the third parties; also, \_\_\_\_\_ undertakes not to represent any other persons that oppose or will oppose the DGF in any disputes based on damage (loss) recovery demands/claims of the DGF.

\_\_\_\_\_  
Position

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Full Name

## Covenant of Integrity

\_\_\_\_\_ declare and covenant that neither we nor anyone, including any of our directors, employees, agents, joint venture partners, consultants or sub-contractors, where these exist, acting on our behalf with due authority or with our knowledge or consent, or facilitated by us, has engaged, or will engage, in any Prohibited Practice (as defined below) in connection with the consultant selection process or in the execution or supply of any works, goods or services and covenant to so inform the DGF if any instance of any such Prohibited Practice shall come to the attention of any person in our organization having responsibility for ensuring compliance with this Covenant.

We declare and covenant that, except for the matters disclosed in this Covenant of Integrity:

- (i) we, our subsidiaries and affiliates, and all of our directors, employees, agents or joint venture partners, where these exist, have not been convicted in any court of any offence involving a Prohibited Practice in connection with any tendering or competitive selection process or provision of works, goods or services during the ten years immediately preceding the date of this Covenant;
- (ii) none of our directors, employees, agents or representatives of a joint venture partner, where these exist, has been dismissed or has resigned from any employment on the grounds of being implicated in any Prohibited Practice;
- (iii) we, our subsidiaries and affiliates and our directors, employees, agents or joint venture partners, where these exist, are not prohibited from participation in a tendering or competitive selection procedure on the grounds of having been found by the final judgement of a judicial process or a finding by the enforcement (or similar) mechanism of another international organisation to have engaged in a Prohibited Practice;
- (iv) we, our subsidiaries and affiliates, as well as any subcontractors, or suppliers or affiliates of the subcontracts or supplier, are not subject to any sanction imposed by resolution of the United Nations Security Council.

If applicable, provide full disclosure of any convictions, dismissal, resignations, exclusions or other information relevant to Articles i) ii) iii) or (iv) of this Covenant indicating details of the measures taken or to be taken to ensure that neither the disclosed organization nor its directors, employees, agents or persons involved in any prohibited conduct in connection with the selection process of the winner of the Contest.

For the purpose of this Covenant, the terms set forth below define Prohibited Practices as:

- (i) a **Coercive Practice** which means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of any party to influence the actions of a party improperly;

- (ii) a **Collusive Practice** which means an arrangement between two or more parties designed to achieve an improper purpose, including to influence the actions of another party improperly;
- (iii) a **Corrupt Practice** which means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the actions of another party improperly;
- (iv) a **Fraudulent Practice** which means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (v) a **Misuse of the Bank’s Resources or Bank Assets** which means improper use of the Bank’s Resources or Bank's Assets, committed either knowingly or recklessly;
- (vi) an **Obstructive Practice** which means (1) destroying, falsifying, altering or concealing of evidence material to a Banks investigation, which impedes the Banks’ investigation; (2) making false statements to investigators in order to materially impede a Banks investigation into allegations of a Prohibited Practice; (3) failing to comply with requests to provide information, documents or records in connection with a Banks investigation; (4) threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a Banks investigation or from pursuing the investigation; or (5) materially impeding the exercise of the Bank’s contractual rights of audit or inspection or access to information; and
- (vii) a **Theft**, which means the misappropriation of property belonging to another party.

When submitting a competitive bid to participate in the Contest, we grant the DGF the right to review the information submitted in its composition.

Position	Signature	Full Name
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## Confidentiality Agreement

Kyiv \_\_\_\_\_, '\_\_\_', 2020

The DEPOSIT GUARANTEE FUND (hereinafter referred to as the 'DGF') represented by Viktor Novikov, Deputy Managing Director of the Deposit Guarantee Fund, who acts based on the Law of Ukraine 'On the Household Deposit Guarantee System', as the first party and

the PUBLIC JOINT STOCK COMPANY «VSEUKRAINSKYI AKSIONERNYI BANK» (hereinafter referred to as the 'PJSC «VAB Bank»') represented by Viktor Novikov, Deputy Managing Director of the Deposit Guarantee Fund, who acts on the basis of the DGF Executive Directorate Decision No. 1627 of September 03, 2020, 'On Some Issues of PJSC «VAB Bank» Liquidation', as the second party, and

the PUBLIC JOINT STOCK COMPANY «COMMERCIAL BANK «FINANCIAL INITIATIVE» (hereinafter referred to as the 'PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE»') represented by \_\_\_\_\_, authorized officer of the Deposit Guarantee Fund in charge of the liquidation of PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», who acts on the basis of the DGF Executive Directorate Decision No. \_\_\_ of \_\_\_, 'On \_\_\_', as the third party, and

\_\_\_\_\_ (hereinafter referred to as the 'Specialist') represented by \_\_\_\_\_, who acts on the basis of \_\_\_\_\_, as the third party (hereinafter jointly to be referred to as the 'Parties' and severally as the 'Party') have entered into this Confidentiality Agreement (hereinafter referred to as the 'Agreement') as follows:

### 1. Subject Matter of the Agreement

1.1. This Agreement governs the procedure and conditions for using and protecting the information provided to the Specialist by PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or the DGF.

1.2. The Parties have agreed that any information obtained by the Specialist from PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE» and/or the DGF in accordance with terms and conditions of the Agreement shall be deemed restricted as confidential information (hereinafter referred to as the 'Confidential Information').

1.3. The Confidential Information, which is supplied by PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or the DGF to the Specialist, can be contained in contracts, letters, reports, analytical materials, research results, diagrams, graphs, specifications, and other documents provided both on paper, and on electronic data carriers.

1.4. PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or the DGF remain owners of the Confidential Information and physical storage media owners containing the Confidential Information supplied to the Specialist.

## **2. Objective of the Agreement**

2.1. The objective of this Agreement is to create conditions for the protection of the Confidential Information owned by PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or the DGF when taking measures aimed at employing the Specialist for the provision of services of representing the Deposit Guarantee Fund and/or PJSC «VAB BANK», and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE» in judicial (criminal, civil, commercial) proceedings in respect of the recovery of the damage (losses) caused to PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or its creditors by its related parties (owners, managers, and/or other parties referred to in part 1, Article 52 of the Law of Ukraine ‘On Banks and Banking’), in foreign jurisdictions (and in the jurisdiction of Ukraine as necessary) (hereinafter referred to as the ‘Services’).

## **3. Undertakings of the Parties**

3.1. PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or the DGF undertake:

3.1.1. To provide the Specialist with information in amounts determined by PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or the DGF within five business days of entry into this Agreement (by granting access to the premises of PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or the DGF, or by handing over document copies directly to the Specialist);

3.2. The Specialist undertakes:

3.2.1. To make sure that the Confidential Information is not divulged to any third parties without the prior written consent of the DGF;

3.2.2. Not to provide the Confidential Information to the third parties, not to sell and dispose of it in any manner, and not to use the supplied Confidential Information for own purposes not covered by arrangements among the Parties;

3.2.3. To return the Confidential Information within five days of a written demand of PJSC «VAB BANK» and/or PJSC «COMMERCIAL BANK «FINANCIAL INITIATIVE», and/or the DGF to do so and not to keep any copies (including the electronic copies), reproductions or excerpts from documents, files, or data, etc. identified as Confidential Information;

3.2.4. To grant access to the Confidential Information to a limited number of the Specialist’s employees;

3.2.5. To familiarize themselves with the Confidential Information within three business days of the execution of the Certificate of the Transfer and Acceptance of Confidential Information.

3.2.6. The Specialist shall notify the DGF of its intents related to the continued cooperation and the provision of its services (with the indication of the type of services), offer a price for the services, or state the refusal to do so within five business days of the deadline specified in sub-item 3.1.1 of item 3.1 of the Contract.

3.3. The transfer of the Confidential Information under the Agreement shall be formalized by the signing of the Certificate of the Transfer and Acceptance of Confidential Information by authorized representatives of the Parties.

#### **4. Liability of the Parties**

4.1. The Specialist shall pay the DGF a fine of UAH 100,000.00 (one hundred thousand hryvnias 00 kopecks) for the failure to perform and improper performance of item 3.2 of this Agreement.

4.2. The losses caused to the Parties by the failure to perform or improper performance of the duties under this Agreement shall be restituted in full in accordance with the procedure prescribed by the current laws.

#### **5. Other Conditions**

5.1. This Agreement shall come into effect from the date of its signing by the Parties and its authentication with the seals of the Parties, and remain in effect:

until the Parties enter into a contract of professional services in a specific area;  
or

failure to conclude such contract within five (5) years from the date of the latest Certificate of the Transfer and Acceptance of Confidential Information.

5.2. Any differences between the Parties shall be settled in accordance with the procedure prescribed by the laws of Ukraine.

5.3. Any amendments shall be made in the Agreement by means of entry into supplementary agreements.

5.4. The Parties shall be guided by Ukraine's laws in solving all the issues related to the performance of the Agreement by the Parties but not governed thereby.

5.5. This Agreement has been made in three authentic copies, all of them with the same legal effect, one for each Party.

#### **6. Locations and Details of the Parties**



**Deposit Guarantee Fund**

Location:

17 Sichovykh Striltsiv Street, Kyiv,

EDRPOU code 21708016

Bank code 300001

Account with the National Bank of  
Ukraine

UA563000010000000032303320301

Deputy Managing Director

\_\_\_\_\_ V.V. Novikov

**Specialist**\_\_\_\_\_  
\_\_\_\_\_

Location:

\_\_\_\_\_  
\_\_\_\_\_

EDRPOU code \_\_\_\_\_

Bank code \_\_\_\_\_

Account number

\_\_\_\_\_

**PJSC «VAB BANK»**

Location:

27T Degtyarevskaya Street, Kyiv

Mailing address: 17 Sichovykh

Striltsiv Street, Kyiv, 04053

EDRPOU code 19017842

Account with the National Bank of  
Ukraine

UA723000010000032079101301026

Deputy Managing Director of the  
Deposit Guarantee Fund

\_\_\_\_\_ V. V. Novikov

**PJSC «COMMERCIAL BANK  
«FINANCIAL INITIATIVE»**

Location:

7/9 Konovaltsia Yevhena (Schorsa)

Street, Kyiv

EDRPOU code 33299878

Account with the National Bank of  
Ukraine

UA893000010000032076115301026

Authorized officer of the Deposit  
Guarantee Fund in charge of the  
liquidation of PJSC «COMMERCIAL  
BANK «FINANCIAL INITIATIVE»

\_\_\_\_\_

### Service Delivery Strategy Plan

<b>List of Activities to Achieve Service Delivery Results</b>					
<b>Activity</b>	<b>Actions of the Contractor (approaches and methods)</b>	<b>Regulatory/Legal Basis</b>	<b>Use of the Third Parties (yes/no) *</b>	<b>Deadline</b>	<b>Expected Result</b>

\* 'Use of the Third Parties (yes/no)' — if 'yes,' then specify the third party's name to be used and activities, in which this party specializes.





Criterion	%	Maximum score (1)	Minimum acceptable % (of max).	Bidder 1		Bidder 2		Bidder 3		Bidder 4		Bidder 5	
				Estimate d level (2)	Score (1) × (2)	Estimat ed level (2)	Score (1) × (2)	Estimat ed level (2)	Score (1) × (2)	Estimate d level (2)	Score (1) × (2)	Estimate d level (2)	Score (1) × (2)
<i>(d) other factors:</i>		<b>30</b>	<b>0%</b>										
experience in providing services for banking institutions	100%	30.00											
		<b>100</b>			<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>
					<b>1</b>		<b>1</b>		<b>1</b>		<b>1</b>		<b>1</b>



**Methodology for the Successful Bidder Selection based on the Price Criterion (according to Option 2 of the calculation of the cost of the Services provided for in paragraph 4 of the Tender Documents)<sup>2</sup>**

1. Evaluation of proposals of bidders is carried out according to the evaluation method with the following ratio - 5/80/15.
  - Advance (UAH) - 5 points.
  - Reimbursement of expenses (UAH / hour) (including for English and foreign lawyers, experts involved) - 80 points.
  - Success Fee (%) - 15 points.
2. The proposal is evaluated by the total number of points. The maximum possible number of points is 100.
3. The proposal, the advance of which is the smallest, is assigned the maximum possible number of points for "Advance" - 5.

The number of points for the remaining proposals is determined by the formula:

$$P1 = (\text{Price (minimal)} / \text{Price (calculated)}) * 5,$$

where:

P1 - the calculated number of points;

Price (minimal) - the lowest advance price;

Price (calculated) - the price of the advance, the number of points for which is calculated.

4. The bid of the bidder with the lowest value of reimbursement (UAH / hour) is assigned the maximum possible number of points for "Reimbursement" - 80. If the bidder indicates in the price offer a different cost of reimbursement for specialists depending on the level of qualification, for calculation the maximum cost of UAH / hour from the specified by the participant is defined.

The number of points for the rest of the proposals is determined by the formula:

$$P2 = (\text{R (minimal)} / \text{R (calculated)}) * 80,$$

where:

P2 - the calculated number of points;

R (minimal) - the lowest value of reimbursement (UAH / hour);

R (calculated) - reimbursement of expenses (UAH / hour) of the participant, the number of points for the offer of which is calculated.

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<sup>2</sup> To be applied if all the bidders have chosen Option 2 of calculation of cost of Services provided by item 4 of the Tender Documents

5. The proposal of the participant with the lowest value of the reward (%) is assigned the maximum possible number of points according to the criterion "Success Fee" - 15. The number of points for the rest of the proposals is determined by the formula.

$$P3 = (SF (\text{minimal}) / SF (\text{calculated})) * 15,$$

where:

P3 - the calculated number of points;

SF (minimal) - the lowest value of the reward (%)

SF (calculated) –the Success Fee (%) of the participant, the number of points for the proposal of which is calculated.

6. The total number of points scored by the participant is:  $P = P1 + P2 + P3$ .

7. The bidder whose proposal will receive the highest score according to the above method is determined by the winner of the contest.

### Sample Calculation of the Score for the Price Criterion

Indicator Name		Max. score	Measurement unit	Values of Indicators in Various Quotations		
				No. 1	No. 2	No. 3
1	Advance fee	5	thousand UAH	1000.00	2500.00	5000.00
			factor	1	0.4	0.2
			<b>Score</b>	<b>5.0</b>	<b>2.0</b>	<b>1.0</b>
2	Cost reimbursement	80	UAH per hour	800	500	450
			factor	0.6	0.9	1
			<b>Score</b>	<b>48</b>	<b>72</b>	<b>80</b>
3	Fee	15	%	2	3	4
			factor	1	0.66	0.5
			<b>Score</b>	<b>15</b>	<b>9.9</b>	<b>7.5</b>
	Total	100	<b>Scores</b>	<b>68</b>	<b>83.9</b>	<b>88.5</b> <b>(successful bidder)</b>



### Regulations for the "price reduction" procedure<sup>3</sup>

Component prices of bids under the procedure of "price reduction":

- advance;
- reimbursement of expenses;
- success fee.

Minimum bid reduction step:

- UAH 50,000.00. - for an advance;
- 500 hryvnias. - to reimburse expenses;
- 0.25% - for remuneration.

During the procedure, the participants present are invited to reduce the proposed bid price (advance, reimbursement and success fee) voluntarily by announcing another reduced price until each bidder announces that it has offered the final price. The first is to reduce the bid price to the bidder with the highest reimbursement.

In the absence of the bidder or his authorized representative in the procedure, the final price is the bid price specified in the bid of the bidder or that provided by the bidder in his e-mail and identified as final, before the procedure "price reduction".

The final price is entered in the "price reduction" protocol, which is signed by all participants present. A scanned copy of the "price reduction" protocol signed by each of the participants is sent to the e-mail address of the person authorized to communicate with the participants (on organizational issues) specified in clause 1.4 of the Tender Documents. The original of the signed protocol "price reduction" is sent by each participant by mail to the address of the DGF specified in item 1.7 of the Tender Documents.

Participants who have reduced the offer price relative to the initial price, provide to the e-mail address of the person authorized to communicate with the participants (on organizational issues) specified in paragraph 1.4 of the Tender Documents, a scanned copy of the adjusted price offer no later than 18:00 on the working day following the day when the price reduction procedure took place. The condition for submitting an adjusted offer is that the position prices in such an offer should not be higher than the corresponding position prices specified in the original offer.

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<sup>3</sup> To be applied if all the bidders have chosen Option 2 of calculation of cost of Services provided by item 4 of the Tender Documents