

Request for Proposal of Custody Services

General Information

EDEKT S.A. is seeking to engage, through a request for proposal (RFP) process, a provider of **Custody Services** on behalf of our client, IKA-ETAM, the principal for a global portfolio of approximately €500 mil.

The portfolio is currently managed by several external managers. In aggregate, approximately 450 individual portfolio positions are owned and allocated amongst 8 sub-accounts. Over the last 12 months, in total, there were approximately 600 sales and 700 purchases transacted across all the sub-portfolios.

The asset allocation / structure of the portfolio are currently as follows:

Asset Class / Type	Allocation (in mil €)
Greek Equity	43
European Domiciled Mutual Funds	264
Exchange Trade Funds	25
Greek Government Bonds	42
Corporate Bonds	26
European Fixed Income (Govt)	110
Cash	17
Total	527

Among the services required to be performed by the selected custodian will be the following:

- Settle and deliver securities as directed through any broker, investment manager or advisor selected by the Client. Act upon proper instructions from authorized persons received by fax or other acceptable methods to affect the receipt, transfer and delivery of assets.
- Assign a dedicated day-to-day person that is familiar with the Client's portfolio, who is also available for telephone conversations, in order to address various questions.
- Provide on-line reporting of portfolio activity and holdings on a real-time or next-day basis; provide on-line monthly activity statements and reports including the market value of all portfolio holdings.

The following is a list of key dates, up to and including the date Proposals are due to be submitted, which is subject to change at EDEKT's discretion:

Request for Proposal Issued	November 12th 2015
Vendors to Submit Questions by	November 17th 2015
EDEKT's response to Questions by	November 19th 2015
Due Date for Responses to RFP	November 30th 2015
Finalists Interviews (Video Conference)	December 7th - 8th 2015
Contract Award Date	December 15th 2015
Contract Start Date	TBD

Prospective responders may direct questions in writing via e-mail only to:

Kouklaki Maria

Email: edekt@edekt.gr

Questions must be submitted no later than November 17th 2015.

The final Proposals must be submitted by email no later than November 30th 2015 at 5pm CET to the following contact:

Kouklaki Maria

Email: edekt@edekt.gr

Hard copies may also be submitted to the following address:

EDEKT S.A.

8 Dragatsaniou Street

Athens, 10559 Greece

Tel. + 30 210 3258500

Fax. + 30 210 3258505

Questionnaire

A. Description of the Agency

1. Please provide a brief description of your organization, and submit information to include: the structure and operation of your organization, the services provided, relation with other departments or subsidiaries e.g., investment management company and external partners / outsourcing.

B. Experience

1. Analyze the value of customer assets in your organization which are held in custody as well as the total number of your customers at the end of 2014, by:
 - Country origin of client.
 - Type of asset (stocks, fixed income, etc.).
 - Client class (pension funds, institutional investors, individuals).
2. What is the total amount of new assets in custody acquired during the last 12 months?
3. How many (if any) clients with accounts of over € 100 million have terminated their custodian services contract with you during the past three years and why?
4. How many (if any) clients with accounts of over € 1bn have you served in the last 10 years?

C. Client Service and Staff

1. Submit in detail the experience of the client management (relationship manager) and client service on securities custody.
2. Do you assign a specific person to be responsible for daily client service?
3. Describe the internal standards of quality and client service for custody. How do you measure client satisfaction? How do you propose to serve the customer?
4. Describe training services (if any) that you offer to your clients, in connection with the Services.

D. Technology and Systems

1. Describe the architecture of your custodial systems, including the platform, terminals, software, network, and functional interface with the end user (if any).
2. Do you offer remote access to terminal? If yes, please list the available services. In your reports, can users specified by the client have access over the internet with passwords?
3. With which portfolio accounting systems can your custody services system "communicate"?
4. What are the resources dedicated to maintaining and enhancing your systems? Define the SLA/SLM agreement (i.e. time to respond, time to resolve an incident). Briefly describe your Disaster Recovery plan.
5. What current and historical information is provided and is available?
6. Define all hardware and / or software required by users to access your report systems.
7. How often is the information available through your report system updated (ie, in real time or with a delay). Describe in detail for each report.
8. Can you support many sub-custody and cash accounts per beneficiary (i.e. ability to split per investment manager)?

E. Reports and Accounting Records

1. Describe briefly the types of reports that are available to customers. Please provide list of standard reports and the extent to which the system reports can be customized to meet the unique needs of each client and / or any national supervisory authority.
2. Verify whether all the reports/statements are available on a per administrator/account individually and on a consolidated basis (complex parameters) for all managers/accounts.
3. Verify if the valuation reports may be available based on the trade date and the settlement date.
4. Verify if there are reports available for outstanding transactions in real time.
5. Can you provide official daily asset valuations, bank statements and account balances in real time?
6. Can clients retrieve reports from your system in a customized format (pdf, excel, etc.) If so, describe the flexibility of reporting and your limitations.
7. Which are the sources used for assets valuation? Submit a detailed list of all the sources you use and describe your experience in relation to their reliability and continuous information.
8. How do you ensure accuracy of prices and what levels of price volatility between the various sources would signal a problem?
9. Can you provide reporting in multiple currencies?

F. Procedures and Controls

1. Identify in detail the mechanism and control frequency of the records in your system.
2. If the financial instruments are held at a central depository or clearing agency, indicate how the client's assets are segregated and protected.
3. Provide a list of markets in which you offer contractual arrangement ("contractual settlement").

G. Settlement and Transaction Processing

1. Define how you want the transaction instructions sent by fund managers to custodian for clearing.
2. Briefly describe the procedures you use to ensure that transactions are properly transmitted from the client so that you proceed with clearing. Include any other (second) bank probably involved in the clearing of these securities.
3. Briefly explain your policies and procedures for failed transactions for both domestic and foreign securities and the steps taken to minimize failed transactions.
4. Can your system produce a report that shows all failed transactions per account manager at any given time?
5. Tell us about the daily deadline (cut-off time) of sending instructions to your Custody Services Dept.
6. Do you provide immediate notification to investment managers for the course of the instructions and for any problems / mistakes?

H. Revenue Management and Corporate Actions

1. Describe the policies and procedures for your collection and crediting income (dividends, coupons etc.).
2. Do you provide tax services, if yes please describe them clearly.

3. Which procedure does the Custodian provide for income avoidance of double taxation from countries that have signed agreements with Greece for the avoidance of double taxation.
4. Do you provide “pendings” reports for outstanding claims (eg dividends, coupons, requirements for reimbursement of withholding tax on securities of foreign origin, etc.)?
5. Verify whether all the accounts are interest bearing. Provide relevant information and data, and confirm if you are willing to commit to a pre-agreed credit and debit interest rates in connection with particular reference rates (eg 3-month Euribor).
6. Please provide information about the charges (if any) relating to cash accounts.
7. How do you update client for corporate actions (eg stock options, acquisitions, etc.)?
8. Specify the method used, including the timing of the notification (ie the announcement date, ex-date, record date and payment date, deadline/cut-off time).
9. How do you ensure that all corporate actions are recorded by your system immediately and accurately?
10. What is the monitoring process for pending corporate actions?
11. Do you inform the client of the date set by the Custodian in order to express interest for participation in a corporate action?

I. Sub-Custody

1. Indicate whether and to what extent you maintain global custody agreements with third parties? In how many countries do you provide subcustodian network?
2. How often do you review your relationships with sub-custodians and other sub-agents?
3. How do you evaluate the sub-custodians in relation to credit, operational and legal risk that they may add to your custody services?

J. Risk Coverage

1. In case of loss of client assets through fraud, negligence or non-payment, will you be ready to accept responsibility for the total replacement cost (including any ancillary costs) in the total value of assets at the time of detection of the loss?
2. Please give details of any claims action against your clients, in your capacity as custodian, regardless of the reason, during the last 3 years (and list those requirements which are still pending).
3. Please provide details of your various types of insurance coverage and indemnification which your organization holds in relation to the provision of the Services to clients.
4. Please confirm that you are ready to compensate the Customer for all losses, expenses, assets, liabilities or expenses incurred by the Customer arising directly or indirectly from the negligence, fraud, willful failure, misconduct or mistake of your sub-custodians, or your other representatives.
5. What is the level of your liability for any losses that a client may suffer from the actions of your sub-custodian? Are you willing to accept full responsibility for their sub-custodians and your agents as if they had resulted from your actions?
6. Please describe the internal and external audit procedures of your organization in connection with the Service. Has your organization ever received any qualified opinion from auditors, if yes, please give details.
7. Please provide a sample of your contract for the provision of the Services.

8. Please confirm that the client's assets are held in segregated accounts in the name of the client (beneficiary) and not in omnibus accounts (in custody or sub-custody).
9. Please let us know if you require collateral in order to clear transactions and if yes describe in what circumstances.
10. Let us know what credit facilities are available to the client.

K. Financial Offer/Bid.

Financial Proposal should clearly indicate the structure of the fees and charges for your Services, and any other fees for supporting services.

Please provide full details of all fees, charges, fees and other charges in relation to all asset classes and financial instruments.

Submit an annual custody fee and transaction fees for asset classes according to the following table:

Data Category*	Annual Custody (s/k) Fee	Transaction Fee
Fixed Income Securities		
Equity Securities		
Greek Equity Securities		
Greek Government Bonds		
Mutual Funds, collective investments		
Other (Please state)		

*Please note that all securities currently held by the portfolio concern securities listed on exchanges of developed markets.

Any fee or charge for services not included in the offer will not be accepted during the duration of the contract.

All rates must be stated in Euro and will not include VAT. Prices will not be subject to any change and will remain unchanged for the duration of the contract.

L. Minimal Requirements

Please confirm that you meet the following minimum requirements:

1. Provision of Custodial Services for at least the last ten (10) years.
2. During the time of response to the RFP, provision of custodial services for accounts with assets totaling (at current values) at least € 2 billion.
3. During the time of response to the RFP, provision of custodial services for accounts with assets totaling (at current values) at least € 500 million as equity.
4. The specific employee of the custodian who will be proposed to take over the account has at least three (3) years of experience in managing fiduciary accounts.
5. The agency and its staff hold all permits and certificates required to perform the service at the time of submission of the offer/bid.
6. The agency will maintain adequate insurance coverage for negligent errors and / or omissions in connection with the provision of services to the customer.
7. The agency will maintain adequate procedures and operational capacity to ensure continuity of service in case of emergency.