

Minutes of COFE meeting on May 27, 2012

COFE met at 9:00 on May 27, 2012 to open and analyze the proposal presented for DFI and successor account audit by the following international audit firms:

- KPMG
- Ernest & Young (E&Y)
- Price Waterhouse Coopers (PWC)
- Deloitte

After opening and analyzing the three proposals it was confirmed to COFE that all of them meet the pre- qualification criteria.

Then it moved to the second phase which is represented by the evaluation of the qualified proposals according to the technical criteria and financial terms, and the results were as follows:

- KPMG 83%
- E&Y 100 %
- PWC 73 %
- Deloitte 59 %

The decision

Pursuant to analyses of the proposals of DFI and successor account, COFE decided to award the task to E&Y as it got the first place of the evaluation results, with the condition that the audit fees will be (\$460000) while the timing of the audit fees payments will as follow:

25 % upon signing the contract

25 % upon approving the first six months of 2012 audit report

25 % upon presenting the draft of the year ended 2012 audit report

25 % upon approving the final report

The minutes was concluded

Aras M. Saeed

member

Adel M. Al Hasson

member

Dr. Abdul Basit Turki Saeed

Head of COFE

Evaluation of proposals according to technical criteria and financial criteria

	Audit Firms	E&Y	KPMG	PWC	Deloitte
	Data				
1	Fees in US \$	495000	575094	790000	1200000
2	The staff: a. Bachelor degree b. Post graduates c. No qualification mentioned	3 8 -	2 6 -	- 5 2	3 5 -
3	Previous experience in DFI audit	yes	yes	yes	no
4	Working hours intended	13827	Not stated	Not stated	Not stated
5	Experience in oil industries audit	yes	yes	yes	yes
6	Observations	Audit of all ministries+ 6 governorates + KGR	Audit of all ministries+ 6 governorates + KGR	Audit of 6 ministries+ 6 governorates	Not stated

Evaluation of proposals according to technical criteria and financial terms

	Rate of Weight	E&Y	KPMG	PWC	Deloitte
1. International orientation of firm	20 %	20 %	20 %	20 %	20 %
2. Quality and experience of the staff assigned for audit	15 %	15 %	10 %	8 %	7 %
3. Experience of the team in oil sector and central banks field	10 %	10%	10%	10%	10 %
4. Ability of the team to relate to DFI and successor account audit under the oversight of COFE	10 %	10%	10%	10%	10%
5. Willingness to provide regular updates on audit methodology during the conduct of work	5 %	5 %	3 %	5 %	2 %
6. financial terms	40 %	40 %	30 %	20 %	10 %
		100 %	83 %	73 %	59 %