GERAB FINANCIALS LIMITED (GFL)

Namgyel Khangzang, Simtokha, Thimphu, Bhutan

Certificate of Incorporation No. L20250724BHU0847

Licensed as a Deposit-Taking Microfinance Institution on 28th October 2025

REQUEST FOR PROPOSAL (RFP)

FOR APPOINTMENT OF AN EXTERNAL / STATUTORY AUDIT FIRM

Three-Year Engagement: Statutory Audits of FY2025, FY2026, FY2027 and FY2028

(Separate audited financial statements and separate audit opinions for each financial year)

RFP Reference No.	GFL/AUDIT/2026/01
Date of Issue	10th November 2026
Selection Method	Quality and Cost-Based Selection (QCBS), single-stage two-envelope procedure
Governing Rules	GNY Group Procurement Manual for Services, 2024
Proposal Submission Deadline	30th November 2026 at 1300 hours (Bhutan Standard Time)
Opening of Technical Proposals	30th November 2026 at 1430 hours, GFL Meeting Hall, 1st Floor, Namgyel Khangzang, Simtokha, Thimphu
Contact	gfl@gfl.bt

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PART I – LETTER OF INVITATION

RFP Ref. No.: GFL/AUDIT/2026/01	Date: 10th November 2026

To: All audit firms on the Royal Audit Authority (RAA) Empanelment List 2025, Bhutan
Subject: Invitation for Proposals for Statutory Audit Services – three-year engagement covering the statutory audits of FY2025, FY2026, FY2027 and FY2028

Dear Sir/Madam,

1. Gerab Financials Limited ("GFL" or "the Company"), a subsidiary of Gerab Nyed-Yon Limited (GNY), is incorporated under the Companies Act of Bhutan 2016 and licensed and regulated by the Royal Monetary Authority of Bhutan (RMA) as a deposit-taking microfinance institution under the Financial Services Act of Bhutan 2011 and the Rules and Regulations for Deposit-taking Microfinance Institutions, 2016.
2. GFL invites sealed proposals from eligible audit firms for the statutory audit of its financial statements. The engagement is for three years and comprises four statutory audits: **Year 1** – FY2025 (first financial period ending 31st December 2025) and FY2026, audited together but with separate financial statements and opinions; **Year 2** – FY2027; and **Year 3** – FY2028. The Terms of Reference are in Part III.
3. The firm will be selected under the **Quality and Cost-Based Selection (QCBS)** method using a single-stage two-envelope procedure, in accordance with the GNY Group Procurement Manual for Services, 2024 ("the Manual"), which GFL follows as a GNY subsidiary.
4. Only audit firms on the RAA Empanelment List 2025 (valid from 1st July 2025 to 31st December 2028) that are acceptable to the RMA for auditing regulated financial institutions are eligible. This invitation may not be transferred to any other firm.
5. Firms may submit proposals alone or in association with other firms or sub-consultants (see Part II, Clause 5). Please confirm in writing to gfl@gfl.bt by **16th November 2026, 1700 hours**, whether you intend to submit a proposal and whether alone or in association.
6. Proposals must be delivered to the address below by **30th November 2026 at 1300 hours**. Technical proposals will be opened in public on the same day at 1330 hours. Financial proposals of technically qualified firms will be opened in public on a date notified in writing.
7. After evaluation, the firm with the highest combined score will be invited to negotiate the contract. GFL is not bound to accept any proposal and may annul the process before contract award in accordance with the Manual.

We look forward to receiving your proposals.

Yours faithfully,

Gerab Financials Limited
Namgyel Khangzang, Simtokha, Thimphu, Bhutan | gfl@gfl.bt

PART II – INSTRUCTIONS TO CONSULTANTS

1. Introduction and Background

1.1 GFL is a deposit-taking microfinance institution and a subsidiary of Gerab Nyed-Yon Limited. It promotes financial inclusion through savings, deposit, credit and digital financial services, primarily serving the Central Monastic Body (CMB), its affiliated institutions and underserved communities.

1.2 GFL has not previously undergone an independent statutory audit. FY2025 is its first financial period and ends on 31st December 2025. The FY2025 audit is therefore a first-year audit, including the audit of opening positions from the commencement of operations.

1.3 The Board Audit and Risk Committee (BARC) oversees this selection and the performance of the appointed auditor. Appointment for each financial year is subject to approval and confirmation by the competent authority and shareholders, as required under the Companies Act of Bhutan 2016.

2. Governing Rules and Interpretation

2.1 This procurement is governed by the GNY Group Procurement Manual for Services, 2024. Where this RFP is silent, the Manual applies; where there is an inconsistency, the Manual prevails unless GFL states otherwise in writing.

2.2 Questions of interpretation of this RFP shall be decided in accordance with the Manual: the Head of the Department responsible for procurement decides in the first instance, and unresolved issues are referred to the Board, whose interpretation is final.

2.3 Any failure or delay by GFL in enforcing a provision of this RFP is not a waiver of that provision. A waiver is effective only if made in writing by an authorised representative of GFL.

3. Eligibility

A firm is eligible to submit a proposal only if it:

(a) is a licensed and professionally registered Bhutanese accounting/audit firm with a valid trade licence and tax clearance;

(b) is on the RAA Empanelment List 2025 and holds a valid practising certificate to conduct statutory audits of companies in Bhutan;

(c) is acceptable to the RMA for auditing regulated financial institutions;

(d) is not blacklisted, suspended or debarred by the RAA, the RMA, the GNY Group or any other relevant government authority; and

(e) is not affected by any of the conflicts of interest listed in Clause 4.

Preference is given, through the technical scoring in Part IV, to firms with proven experience of auditing banks, financial institutions and deposit-taking microfinance institutions in Bhutan.

4. Conflict of Interest and Independence

4.1 The firm shall comply with the AASBB Code of Ethics, the Companies Act of Bhutan 2016 and applicable RAA requirements, and shall provide professional, objective and impartial services, holding GFL's interests paramount.

4.2 A firm, its affiliates and its proposed personnel are **not eligible** if, in any period under audit or in the period from 1st January 2025 to the date of proposal, they have:

(a) prepared or maintained GFL's accounting records or financial statements;

(b) designed, developed or validated GFL's Expected Credit Loss (ECL) model or provisioning methodology;

(c) designed or implemented GFL's core banking system, GerabPay platform or related IT controls;

(d) performed internal audit services for GFL; or

(e) participated in preparing this RFP or its Terms of Reference.

4.3 Each firm shall submit Form T-7 declaring its independence and disclosing any current or past engagement with GFL, GNY or other GNY Group companies, and with any CMB institution that is a customer of GFL.

4.4 During the engagement, the firm shall not provide non-audit services that create self-review, advocacy or management threats. Any other non-audit service requires the prior written approval of BARC.

5. Association and Sub-Consultants

5.1 Firms may associate with other firms in a joint venture or engage sub-consultants (for example, an ECL specialist or IT auditor). The lead firm must itself be eligible under Clause 3, and the statutory audit opinion must be signed by the lead firm.

5.2 The proposal shall name every associate and sub-consultant, state its role and confirm whether the partners are jointly and severally liable. All parties to a joint venture shall sign the proposal and any resulting contract.

5.3 The use of sub-consultants does not relieve the firm of its responsibility for the services. Sub-consultants are bound by the same independence and confidentiality obligations, and GFL may request the same information from them as from the firm.

6. Schedule of Key Dates

Sl.	Activity	Date / Time
1	Issue of RFP	10th November 2026
2	Last date for written requests for clarification	19th November 2026, 1700 hrs
3	GFL responses and any addenda issued to all firms	By 23rd November 2026
4	Deadline for submission of proposals	30th November 2026, 1300 hrs
5	Public opening of technical proposals	30th November 2026, 1330 hrs

Sl.	Activity	Date / Time
6	Notification of technical scores and date of financial opening	Indicative: 14th December 2026
7	Public opening of financial proposals	Indicative: 17th December 2026 (notified in writing at least two working days in advance)
8	Negotiations with the first-ranked firm	Indicative: 21st December 2026
9	Notification of award, performance security and contract signing	Target: by 31st December 2026
10	Validity of proposals	Up to 28th February 2027
11	Validity of bid security	Up to 30th March 2027

Venue for submission and opening: GFL Meeting Hall, 1st Floor, Namgyel Khangzang, Simtokha, Thimphu. Indicative dates may change; firms will be informed in writing.

7. Clarification and Amendment of the RFP

7.1 Requests for clarification shall be made in writing to gfl@gfl.bt by the date in Clause 6. GFL will respond in writing to all firms that confirmed their intention to submit, describing the question without identifying its source. Requests received after that date will not be answered.

7.2 GFL may amend this RFP by addendum before the submission deadline. Addenda form part of the RFP and are binding. GFL may extend the submission deadline to give firms reasonable time to take an addendum into account.

8. Preparation of Proposals

8.1 **Language and currency.** Proposals and all correspondence shall be in English. Prices shall be quoted in Bhutanese Ngultrum (Nu).

8.2 **Cost of proposal.** Firms bear all costs of preparing and submitting their proposals. GFL is not liable for these costs, whatever the outcome.

8.3 **Two envelopes.** Each proposal consists of a Technical Proposal and a separate Financial Proposal. No price information of any kind shall appear in the Technical Proposal; a Technical Proposal that discloses price will be rejected.

8.4 **Comments on the ToR.** Firms may comment on the Terms of Reference in their Technical Proposal (Form T-4). Comments do not change the basis of evaluation.

9. Contents of the Technical Proposal

The Technical Proposal (Envelope 1) shall contain, in this order:

Sl.	Document	Status
1	Technical Proposal Submission Form (Form T-1)	Mandatory

Sl.	Document	Status
2	Bid security in the required amount, form and validity (Clause 11; Form S-1)	Mandatory
3	Integrity Pact, signed (Form IP)	Mandatory
4	Valid trade licence	Mandatory
5	Valid tax clearance certificate	Mandatory
6	Valid firm registration certificate/licence as a Bhutanese accounting/audit firm	Mandatory
7	RAA Empanelment certificate or reference number (Empanelment List 2025)	Mandatory
8	Valid practising certificate authorising the firm to conduct statutory audits in Bhutan	Mandatory
9	Evidence of acceptability to the RMA for auditing regulated financial institutions	Mandatory
10	Self-declaration of non-debarment (Form T-8)	Mandatory
11	Independence and conflict of interest declaration (Form T-7)	Mandatory
12	Bidder information (Form T-2) and power of attorney of the signatory	Mandatory
13	Firm experience, last five years, with evidence (Form T-3)	Mandatory
14	Approach, methodology, work plan and comments on the ToR, with the completed cross-reference table (Form T-4)	Mandatory
15	Team composition and estimated hours by financial year (Form T-5)	Mandatory
16	Signed CVs of all key experts, with availability confirmation and copies of qualifications (Form T-6)	Mandatory
17	Joint venture/association agreement or sub-consultant letters, if applicable (Clause 5)	If applicable

10. Contents of the Financial Proposal

10.1 The Financial Proposal (Envelope 2) shall contain the Financial Proposal Submission Form (Form F-1) and the Price Schedule (Form F-2), signed by the authorised signatory.

10.2 The firm shall quote a **fixed lump-sum fee for each financial year** (FY2025, FY2026, FY2027 and FY2028), inclusive of professional fees, out-of-pocket expenses, travel and all other costs. Any applicable indirect tax shall be shown separately in the Price Schedule.

10.3 Fees are fixed for the full engagement. No price adjustment or escalation will be allowed for FY2027 or FY2028; any increase over the FY2026 fee is shown for reference only.

10.4 Income tax will be deducted at source as required by law. The firm is responsible for its own tax liabilities in Bhutan.

10.5 The evaluated price is the **total for all four financial years including applicable taxes** (Form F-2, row "Grand Total").

11. Bid Security

11.1 Each Technical Proposal shall be accompanied by a bid security of **2% of contract value, rounded to the nearest Nu 1,000.00** in the form of an unconditional bank guarantee (Form S-1), banker's cheque, cash warrant or demand draft in favour of Gerab Financials Limited, issued by a financial institution and enforceable in any bank in Bhutan.

11.2 The bid security shall remain valid until **30th March 2027** (30 days beyond the validity of proposals). It shall be placed in a separate sealed envelope inside the Technical Proposal envelope.

11.3 A proposal without a bid security of the required amount, form and validity will be rejected as non-responsive.

11.4 The bid security will be forfeited if the firm: (a) withdraws its proposal during the period of validity; (b) does not accept the correction of arithmetical errors; or (c) being the successful firm, fails to sign the contract or furnish the performance security within the time required.

11.5 Bid securities of firms whose technical proposals do not qualify will be returned immediately after the technical evaluation report is approved. Bid securities of other unsuccessful firms will be returned within 15 working days of contract award. The successful firm's bid security will be returned on receipt of the performance security.

12. Validity of Proposals

12.1 Proposals shall remain valid for **90 days** from the submission deadline, that is, up to **28th February 2027**.

12.2 GFL may request firms in writing to extend validity. A firm that agrees shall also extend its bid security and may not modify its proposal. A firm may refuse without forfeiting its bid security, in which case its proposal will not be considered further.

13. Sealing, Marking and Submission

13.1 Envelope 1 shall contain the original Technical Proposal and one copy, marked "ORIGINAL" and "COPY", and be marked "**TECHNICAL PROPOSAL – DO NOT OPEN WITH FINANCIAL PROPOSAL**".

13.2 Envelope 2 shall contain the original Financial Proposal only, sealed and marked "**FINANCIAL PROPOSAL – DO NOT OPEN BEFORE TECHNICAL EVALUATION**".

13.3 Both envelopes shall be placed in one sealed outer envelope addressed to: The Chief Executive Officer, Gerab Financials Limited, Namgyel Khangzang, Simtokha, Thimphu, Bhutan, and marked "**RFP GFL/AUDIT/2026/01 – Statutory Audit Services – Do not open before 1330 hrs, 30th November 2026**". Each envelope shall show the firm's name and address.

13.4 Every page of the original proposals shall be initialled by the authorised signatory. In case of discrepancy, the original prevails over the copy.

13.5 Proposals shall be delivered by hand or courier. Proposals sent by e-mail or fax will not be accepted.

14. Late Proposals, Modification and Withdrawal

14.1 Proposals received after the submission deadline will be returned unopened.

14.2 Before the deadline, a firm may modify or withdraw its proposal by written notice, delivered in a sealed envelope marked "MODIFICATION" or "WITHDRAWAL".

14.3 No proposal may be modified after the deadline, and no proposal may be withdrawn between the deadline and the expiry of proposal validity.

15. Opening of Technical Proposals

15.1 The Tender Opening Committee will open the outer and Technical Proposal envelopes in public at the time and place in Clause 6, in the presence of firms' representatives who choose to attend and sign the attendance register.

15.2 The Committee will read out the name of each firm, the presence or absence of the bid security and its amount, and the presence of the mandatory documents. No prices are read out at this stage.

15.3 The Financial Proposal envelopes will be checked to confirm they are sealed, signed across by the Committee and kept unopened in safe custody.

16. Evaluation of Technical Proposals

16.1 **Responsiveness.** The Tender Evaluation Committee will first check each Technical Proposal for eligibility (Clause 3), independence (Clause 4), bid security (Clause 11) and the mandatory documents in Clause 9. A proposal missing any mandatory document, or not accompanied by an acceptable bid security, will be treated as non-responsive and not evaluated further.

16.2 **Clarifications.** The Committee may ask a firm in writing to clarify documents it has submitted. No change in price or in the substance of the proposal will be sought, offered or permitted, and missing mandatory documents may not be supplied after the deadline.

16.3 **Scoring.** Responsive proposals will be scored out of 100 points against the criteria, elements and scoring rule published in Part IV, following the evaluation procedure set out there. Each evaluator scores independently and the technical score is the average of the evaluators' final scores. The minimum qualifying technical score is **70 points**. Proposals scoring below 70 will not be considered further.

16.4 **Key experts.** A proposal that does not name an Engagement Partner, Audit Manager, ECL Specialist and IT Auditor meeting the minimum requirements in Part III, Clause 7, will be rejected.

17. Opening and Evaluation of Financial Proposals

17.1 After the technical evaluation is approved, GFL will notify all firms of their technical scores, including each firm's own scores for every criterion and element. Firms that did not qualify will have their Financial Proposals returned unopened.

17.2 Qualified firms will be notified of the date, time and place of the public opening of Financial Proposals. The name of each firm, its technical score and its total quoted price will be read out and recorded.

17.3 Arithmetical errors will be corrected: where unit and total amounts differ, the unit amount prevails; where words and figures differ, the words prevail. A firm that does not accept the correction will have its proposal rejected and its bid security forfeited.

17.4 The financial score (Sf) of each proposal is calculated as: **Sf = 100 × Fm ÷ F**, where Fm is the lowest evaluated price and F is the evaluated price of the proposal under consideration (Clause 10.5).

18. Combined Evaluation and Ranking

18.1 The combined score (S) is: **S = (St × 0.70) + (Sf × 0.30)**, where St is the technical score and Sf the financial score. Technical quality carries 70% and cost 30%.

18.2 The firm with the highest combined score will be ranked first and invited to negotiate. If two firms have equal combined scores, the firm with the higher technical score will be ranked first.

19. Negotiations and Award

19.1 GFL will issue an Invitation to Negotiate to the first-ranked firm, stating any issues to be clarified. The firm shall send an authorised representative with written authority to negotiate and finalise the contract.

19.2 Negotiations will cover the Terms of Reference, methodology, work plan, staffing, GFL's inputs and special conditions of contract. They will not substantially change the ToR or the contract terms, and will not reduce the quoted price to a level that would compromise audit quality or independence.

19.3 Key experts named in the proposal may not be substituted at negotiation unless GFL agrees that substitution is unavoidable; a replacement must be equally or better qualified. If a key expert was proposed without confirming availability, the firm may be disqualified.

19.4 If negotiations fail, GFL will inform the firm of the reasons, end the negotiations and invite the next-ranked firm. Earlier negotiations will not be reopened.

19.5 The award will be approved by the competent authority under GFL's Delegation of Powers before the firm is notified. The contract is effective on signature or on issue of the Letter of Award, whichever is earlier.

20. Performance Security

20.1 Within 10 days of the notification of award, and before signing the contract, the successful firm shall furnish a performance security of **10% of the total contract price** in the form of an unconditional bank guarantee (Form S-2), cash warrant or demand draft in favour of GFL, issued by a financial institution and enforceable in any bank in Bhutan.

20.2 The performance security shall remain valid until 30 days after GFL accepts the final deliverables for FY2028, and shall be extended if the engagement is extended. If the contract

is not continued into Year 2 or Year 3 for reasons other than the firm's default, the security will be released within 30 days of acceptance of the last deliverables.

20.3 Failure to furnish the performance security or to sign the contract within the required time is sufficient ground to annul the award and forfeit the bid security. GFL may then invite the next-ranked firm.

21. Integrity Pact, Fraud and Corruption

21.1 In line with the guidelines of the Anti-Corruption Commission of Bhutan, GFL and each firm shall sign the Integrity Pact (Form IP). A proposal without a signed Integrity Pact will be rejected.

21.2 GFL will reject a proposal, and may terminate a contract, if the firm or its representatives have engaged in corrupt, fraudulent, collusive or coercive practices. The firm may also be recommended for debarment across the GNY Group.

22. Confidentiality of the Process

22.1 Information on the examination, evaluation and comparison of proposals will not be disclosed to firms or other persons not officially involved until the award is published. Any attempt by a firm to influence the evaluation may result in rejection of its proposal.

23. GFL's Right to Accept or Reject Proposals

23.1 GFL is not bound to accept the lowest-priced or any proposal. In accordance with the Manual, GFL may reject any or all proposals, or cancel the process, at any time before award if the services are no longer required, the requirements change substantially, funding is not available, or continuing is not in GFL's interest. GFL will notify all firms promptly in writing and will not be liable to them.

24. Complaints

24.1 A firm that considers it has been harmed by a breach of this RFP or the Manual may submit a written complaint to the Chairperson of the GFL Tender Committee within 7 days of the decision complained of. The Tender Committee acts as the appellate body under the Manual and will respond in writing.

PART III – TERMS OF REFERENCE

1. Objectives of the Engagement

For each financial year (FY2025, FY2026, FY2027 and FY2028), the statutory auditor shall:

- express an independent opinion on whether the financial statements give a true and fair view of GFL's financial position as at 31st December, and of its financial performance and cash flows for the year, in accordance with the applicable financial reporting framework (Clause 2);
- report on compliance of the financial statements with the Companies Act of Bhutan 2016, the Financial Services Act of Bhutan 2011, applicable RMA rules and regulations, and other relevant statutory and regulatory requirements; and
- report to management and BARC the deficiencies in internal control, accounting systems and regulatory compliance identified in the course of the audit, together with any long-form or compliance reports required by the RMA (Clause 5).

The engagement is a statutory audit. It does not include an opinion on the operating effectiveness of internal controls unless such a report is required by the RMA in a prescribed format.

2. Financial Reporting Framework and Periods

2.1 GFL prepares its financial statements in accordance with the Bhutanese Accounting Standards (BAS) and Bhutan Financial Reporting Standards adopted by the Accounting and Auditing Standards Board of Bhutan (AASBB). Loan impairment is measured on an Expected Credit Loss (ECL) basis.

2.2 GFL is also subject to the RMA's asset classification and provisioning requirements. The auditor shall audit both, and report the reconciliation between ECL impairment in the financial statements and RMA prudential provisions, including any regulatory reserve.

2.3 The periods to be audited are:

Engagement year	Financial year	Period covered
Year 1	FY2025	From [date of commencement of operations] to 31st December 2025 (first financial period)
Year 1	FY2026	1st January 2026 to 31st December 2026
Year 2	FY2027	1st January 2027 to 31st December 2027
Year 3	FY2028	1st January 2028 to 31st December 2028

3. Scope of Work

The auditor shall conduct a full-scope, risk-based audit of GFL's financial statements, including all notes and disclosures, for each financial year in accordance with the Bhutanese Standards on Auditing. The audit shall cover, at a minimum:

Area	Minimum coverage
Loan portfolio	Existence, valuation and classification of loans; ECL measurement (staging, PD/LGD/EAD assumptions, model data and overlays); RMA asset classification and provisioning; interest income recognition and suspension; rescheduled, restructured and written-off loans.
Related-party transactions	Exposures and transactions with directors, shareholders, GNY Group companies, management and employees, including limits, approvals and disclosures.
Deposits and borrowings	Savings, fixed and recurring deposits; accrued interest; dormant and unclaimed balances; borrowings and covenants.
Cash, bank and investments	Cash balances, bank accounts, fixed deposits, treasury investments and interest income, including direct third-party confirmations.
Payment and settlement	GerabPay, BFS, QR and payment gateway transactions; settlement accounts; related receivables, payables, reconciliations, income and expenses.
Fixed assets and leases	Existence, valuation, capitalisation, depreciation and impairment; right-of-use assets and lease liabilities; intangible assets.
Revenue, expenses and taxation	Interest and non-interest income; operating expenses; current and deferred tax; compliance with tax requirements.
Employee benefits	Salaries, provident fund, gratuity, leave entitlements and other employee obligations.
Financial reporting and disclosures	Compliance with BAS/BFRS, related-party disclosures, contingent liabilities, commitments, subsequent events and going concern.
Regulatory and AML/CFT compliance	Compliance with RMA prudential requirements (capital adequacy, liquidity, large exposures) and regulatory returns; customer due diligence, transaction monitoring and suspicious transaction reporting, to the extent relevant to the audit and to any RMA-prescribed report.
Information systems	IT general controls and relevant application controls over the core banking system and GerabPay; data integrity and completeness of system-generated reports used in the audit; access controls and transaction security.
Governance and internal audit	Review of Board and committee minutes, policies and delegated authorities relevant to the financial statements; review of internal audit reports and follow-up, and evaluation of whether internal audit work may be used under applicable auditing standards.
First-year audit (FY2025)	Opening balances and balances at commencement of operations, capital contributions, pre-operative expenses and set-up of accounting policies.

Fieldwork shall be carried out mainly at GFL's Head Office in Thimphu and shall cover [list branches, outlets or agents in scope, if any].

4. Legal and Regulatory Framework

The audit shall be conducted in accordance with applicable laws, regulations, standards and directives, including but not limited to:

- **Auditing standards and ethics:** Bhutanese Standards on Auditing (BSA), International Standards on Auditing (ISA), AASBB Code of Ethics and International Standards on Quality Management (ISQM).
- **Audit and corporate laws:** Companies Act of Bhutan 2016, Audit Act of Bhutan 2018 and Audit Rules and Regulations 2020.
- **Financial sector regulation:** Financial Services Act of Bhutan 2011, Rules and Regulations for Deposit-taking Microfinance Institutions 2016 and RMA Prudential Regulations 2024, including asset classification, provisioning, capital adequacy, liquidity, large exposures and related-party transactions.
- **AML/CFT:** Anti-Money Laundering and Countering of Financing of Terrorism Act of Bhutan 2018 and AML/CFT Regulations 2025.
- **Other laws:** Income Tax Act of Bhutan 2025 and its Rules, Abandoned Property Rules and Regulations 2018, and Labour and Employment Act of Bhutan 2007.
- **RMA directives:** applicable RMA circulars, directives, notifications and guidelines in force during each financial year under audit.

The auditor shall report any material non-compliance identified during the audit.

5. Deliverables

For each financial year, the auditor shall deliver:

Sl.	Deliverable	Description
1	Engagement letter and audit plan	Terms of engagement, risk assessment, materiality, timetable, team and PBC list, presented to management and BARC before fieldwork.
2	Draft audit report and draft management letter	Draft independent auditor's report on the financial statements and draft management letter, presented to BARC.
3	Independent auditor's report	Signed report under the BSA, including Key Audit Matters where applicable, with the audited financial statements.
4	Final management letter	Internal control weaknesses, regulatory non-compliance and recommendations, with risk ratings, management responses and agreed implementation dates.
5	Regulatory and compliance reports	Any long-form audit, prudential or compliance reports required by the RMA, in the prescribed format.
6	Draft management representation letter	Prepared by the auditor for review and signature by GFL management, as required by auditing standards.

Sl.	Deliverable	Description
7	Close-out presentation to BARC	Summary of findings, adjustments, unadjusted differences and status of prior-year recommendations.

6. Delivery Schedule

The auditor shall meet the following deadlines. Dates are subject to confirmation against the applicable RMA and Companies Act reporting deadlines and will be fixed in the contract.

Financial year	Engagement letter and audit plan	Draft report, draft management letter and BARC presentation	Signed report, final management letter and RMA reports
FY2025	Within 7 days of contract signing	Within [60] days of contract signing	Within [75] days of contract signing
FY2026	By [31st January 2027]	By [31st March 2027]	By [30th April 2027]
FY2027	By [30th November 2027]	By [15th March 2028]	By [31st March 2028]
FY2028	By [30th November 2028]	By [15th March 2029]	By [31st March 2029]

Delays attributable to GFL (for example, late PBC schedules) will extend the deadlines by a corresponding period, agreed in writing.

7. Audit Team Requirements and Continuity

7.1 The firm shall propose, at a minimum, the following key experts:

Key expert	Minimum requirement
Engagement Partner	CA, ACCA, CPA or equivalent professional qualification; authorised to sign audit reports in Bhutan; at least 5 years of post-qualification audit experience, including audits of regulated financial institutions.
Audit Manager	Professional qualification (or part-qualified with at least 8 years of experience); at least 5 years of relevant audit experience, including ECL assessment.
ECL Specialist	Professional accounting, actuarial, FRM/CFA or equivalent qualification, with experience in ECL model review and loan portfolio provisioning.
IT Auditor	CISA or equivalent certification, with experience auditing IT general and application controls of core banking or payment systems.

7.2 The proposal shall state the qualifications, experience, role and estimated hours of each team member for each financial year (Form T-5).

7.3 The Engagement Partner, Audit Manager and ECL Specialist shall remain on the engagement for all three years. Replacement is permitted only in circumstances beyond the firm's control,

with GFL's prior written approval, by an equally or better qualified person, at no additional cost to GFL.

7.4 GFL may require the replacement of any team member whose performance is unsatisfactory.

8. Responsibilities of GFL

8.1 GFL management is responsible for preparing and fairly presenting the financial statements and for maintaining adequate internal controls.

8.2 GFL will provide timely Prepared by Client (PBC) schedules; unrestricted access to books, records, documents, systems and personnel; read-only access to the Core Banking System; and suitable workspace at its Head Office. GFL will designate a counterpart officer for the engagement.

9. Background Information for Pricing

The following information is provided to help firms estimate the audit effort. Further information may be requested under Clause 7 of Part II. (shall be issued on participation)

10. Engagement Term and Annual Performance Review

10.1 The engagement covers FY2025 to FY2028, subject to: satisfactory annual performance review by BARC; annual confirmation of appointment by the Board and shareholders; and continued RAA empanelment and RMA acceptability of the firm. The FY2028 audit is subject to the firm's inclusion in the RAA empanelment list in force at that time.

10.2 BARC will review the auditor's performance annually, considering audit quality, timeliness, team continuity, quality of findings, technical competence, professional judgement, follow-up of observations, independence and regulatory compliance.

PART IV – TECHNICAL EVALUATION CRITERIA

Technical proposals will be scored out of 100 points. Sections A and C are scored by the bands below, on documentary evidence only. Section B is scored element by element using the scoring rule in Note 2. The minimum qualifying technical score is **70 points.**

Sl.	Criterion	Rating band	Points
A. Firm experience (15 points)			
A1	Years of statutory audit practice in Bhutan	Less than 5 years 5 to 9 years 10 years or more	1 3 5
A2	Statutory audits of RMA-regulated financial institutions completed in the last 5 years (Note 1)	None 1 to 2 3 to 5 6 to 9 10 or more	0 3 5 7 10
B. Approach, methodology and work plan (30 points)			
B1	Understanding of GFL, its business and key audit risks	B1.1 GFL's business and regulatory position B1.2 Significant audit risks named and explained B1.3 First-year audit issues B1.4 RMA reporting obligations (4 elements × 0–2, Note 2)	8
B2	Audit approach for the loan portfolio, ECL and RMA provisioning, deposits and payments	B2.1 Loan existence and classification B2.2 ECL review B2.3 RMA asset classification and provisioning B2.4 Deposits B2.5 Payments and settlement (5 elements × 0–2, Note 2)	10
B3	Approach to IT (core banking and GerabPay) and AML/CFT compliance	B3.1 IT general controls B3.2 Application controls and reliability of system-generated reports from the core banking system and GerabPay B3.3 AML/CFT testing (3 elements × 0–2, Note 2)	6

Sl.	Criterion	Rating band	Points
B4	Work plan, timetable and allocation of hours	B4.1 Dated timetable for each financial year meeting the Delivery Schedule in Part III B4.2 Hours by financial year and by team member B4.3 Information required from GFL (PBC list) (3 elements × 0–2, Note 2)	6
C. Key experts and team (55 points)			
C1	Engagement Partner – post-qualification audit experience	5 to 7 years 8 to 12 years 13 years or more	4 6 8
C2	Engagement Partner – statutory audits of RMA-regulated financial institutions signed as partner (Note 1)	None 1 to 2 3 to 5 6 or more	0 4 8 12
C3	Audit Manager – relevant audit experience	5 to 7 years 8 to 11 years 12 years or more	3 5 7
C4	Audit Manager – audits of financial institutions managed, including ECL (Note 1)	None 1 to 2 3 to 5 6 or more	0 3 6 8
C5	ECL Specialist – qualification	Relevant degree only Professional qualification (Part III, 7.1)	2 4
C6	ECL Specialist – ECL or provisioning reviews completed	None 1 to 2 3 to 5 6 or more	0 2 4 6
C7	IT Auditor (CISA or equivalent) – IT audits of core banking or payment systems	None 1 to 2 3 to 5 6 or more	0 2 4 5
C8	Share of the proposed core audit team who are professionally qualified (Note 3)	Below 40% 40% to 59% 60% to 79% 80% or more	0 2 4 5
Total			**100**

Note 1 – Counting audits. One completed audit means one signed statutory audit report for one client for one financial year, evidenced by a client reference, completion certificate or published audited accounts. RMA-regulated financial institutions include banks, insurers, deposit-taking microfinance institutions and other entities licensed by the RMA.

Note 1A – Evidence. For Sections A and C, an audit, engagement or year of experience is counted only if supported by the evidence required in Form T-3 or Form T-6. Claims without evidence score 0.

Note 2 – Scoring of Section B (approach, methodology and work plan). Each element listed in Table IV-1 is scored 0, 1 or 2 as follows, and the points for a criterion are the sum of its element scores:

Score	Meaning	Test applied by the evaluator
0	Not addressed	The element is not addressed in the pages referenced for it in the cross-reference table of Form T-4.
1	Generic	The element is mentioned, but the text would apply to any client or does not state a specific procedure.
2	Specific and concrete	The text refers to GFL's own circumstances AND states the procedure to be performed, by whom, and when or to what extent.

Illustration (B2.2): "We will review the ECL model in accordance with applicable standards" scores 1. "Our ECL Specialist will re-perform staging for all restructured loans and test PD inputs against GFL's 2025 default data during January 2027" scores 2.

Table IV-1: Elements scored under Section B

Element	What the evaluator looks for	Max
B1. Understanding of GFL, its business and key audit risks (8 points)		
B1.1	GFL's business and regulatory position: DMFI licence, CMB and member-institution customer base, deposit, credit and GerabPay services	2
B1.2	Significant audit risks named and explained, covering at least loan impairment/ECL, interest income recognition, IT and payment systems, and related parties	2
B1.3	First-year audit issues: opening balances and balances at commencement, set-up of accounting policies, absence of a predecessor auditor	2
B1.4	RMA reporting obligations: prudential returns and any long-form or AML/CFT reports, and how they will be delivered	2
B2. Audit approach for the loan portfolio, ECL and RMA provisioning, deposits and payments (10 points)		
B2.1	Loan existence and classification: confirmations, physical file review and basis for selecting samples	2
B2.2	ECL review: staging, PD/LGD/EAD inputs, data quality, management overlays and the role and hours of the ECL Specialist	2

Element	What the evaluator looks for	Max
B2.3	RMA asset classification and provisioning, and reconciliation of ECL to RMA provisions	2
B2.4	Deposits: interest accruals, dormant and unclaimed balances, and confirmation procedures	2
B2.5	Payments and settlement: GerabPay, BFS and QR settlement accounts and reconciliations	2
B3. Approach to IT (core banking and GerabPay) and AML/CFT compliance (6 points)		
B3.1	IT general controls: user access, change management, IT operations, backup and recovery	2
B3.2	Application controls and reliability of system-generated reports from the core banking system and GerabPay, including any data analytics	2
B3.3	AML/CFT testing: customer due diligence, transaction monitoring and suspicious transaction reporting	2
B4. Work plan, timetable and allocation of hours (6 points)		
B4.1	Dated timetable for each financial year meeting the Delivery Schedule in Part III, Clause 6 (2 = all deadlines met with dates; 1 = dates given but any deadline missed or not dated; 0 = no timetable)	2
B4.2	Hours by financial year and by team member, consistent with Form T-5, showing partner and specialist time at planning, fieldwork and completion	2
B4.3	Information required from GFL (PBC list), when it is needed, and other dependencies	2
Total Section B		**30**

Note 3 – Qualified. A member of a recognised professional accounting body (CA, ACCA, CPA, CMA or equivalent), or CISA for IT audit staff. The core audit team is the team listed in Form T-5 with at least 40 hours on the engagement in any financial year.

Combined score. S = (St × 0.70) + (Sf × 0.30), as set out in Part II, Clauses 17 and 18.

Evaluation procedure

(a) Before scoring, the Tender Evaluation Committee reviews these criteria and the scoring rule together to apply them consistently. Each member signs the declaration in Appendix I of the Manual.

(b) Each member scores every responsive proposal independently on the Technical Evaluation Sheet below, recording for each criterion or element the score, the page reference in the proposal and a brief reason.

(c) The Committee then meets to compare scores. Any element on which members differ by 2 points, and any band on which members differ, is discussed and the discussion recorded. A member may revise his or her own score only with a written reason.

(d) Each firm's technical score is the average of the members' final scores, rounded to two decimal places. Dissenting views are recorded in the evaluation report.

(e) Only the criteria and elements published in this Part are scored. Material outside the page limit or not cross-referenced in Form T-4 is not scored, and clarifications may not be used to improve a proposal.

(f) When technical scores are notified (Part II, Clause 17.1), each firm receives its own scores for every criterion and element.

Technical Evaluation Sheet (one per evaluator per proposal)

Firm:	
Evaluator name and designation:	
Date:	

Ref.	Criterion / element	Max	Score	Page ref.	Reason (one line)
A. Firm experience					
A1	Years of statutory audit practice in Bhutan	5			
A2	Audits of RMA-regulated FIs, last 5 years	10			
B1. Understanding of GFL, its business and key audit risks					
B1.1	GFL's business and regulatory position	2			
B1.2	Significant audit risks named and explained	2			
B1.3	First-year audit issues	2			
B1.4	RMA reporting obligations	2			
B2. Audit approach for the loan portfolio, ECL and RMA provisioning, deposits and payments					
B2.1	Loan existence and classification	2			
B2.2	ECL review	2			
B2.3	RMA asset classification and provisioning	2			
B2.4	Deposits	2			
B2.5	Payments and settlement	2			
B3. Approach to IT (core banking and GerabPay) and AML/CFT compliance					
B3.1	IT general controls	2			
B3.2	Application controls and reliability of system-generated reports from the core banking system and GerabPay	2			
B3.3	AML/CFT testing	2			
B4. Work plan, timetable and allocation of hours					

Ref.	Criterion / element	Max	Score	Page ref.	Reason (one line)
B4.1	Dated timetable for each financial year meeting the Delivery Schedule in Part III	2			
B4.2	Hours by financial year and by team member	2			
B4.3	Information required from GFL (PBC list)	2			
C. Key experts and team					
C1	Engagement Partner – experience	8			
C2	Engagement Partner – FI audits signed	12			
C3	Audit Manager – experience	7			
C4	Audit Manager – FI audits incl. ECL	8			
C5	ECL Specialist – qualification	4			
C6	ECL Specialist – ECL reviews	6			
C7	IT Auditor – core banking/payment IT audits	5			
C8	Qualified share of core team	5			
Total technical score (St)		**100**			

Signature of evaluator: _____ Date: _____

PART V – PROPOSAL FORMS

All forms shall be completed on the firm's letterhead where indicated and signed by the authorised signatory. Forms T-1 to T-8, S-1 and IP go in Envelope 1 (Technical Proposal). Forms F-1 and F-2 go in Envelope 2 (Financial Proposal) only.

Form T-1: Technical Proposal Submission Form

[On the firm's letterhead]

To: The Chief Executive Officer, Gerab Financials Limited, Namgyel Khangzang, Simtokha, Thimphu

Re: RFP No. GFL/AUDIT/2026/01 – Statutory Audit Services, FY2025 to FY2028

Dear Sir/Madam,

1. We, the undersigned, offer to provide the statutory audit services in accordance with your Request for Proposal dated 10th November 2026, including Addenda Nos. _____. We submit our Technical Proposal and, under separate sealed cover, our Financial Proposal.
2. We are submitting our proposal [alone] / [in association with _____, who are jointly and severally liable] / [with the following sub-consultants: _____].
3. Our proposal is binding upon us and shall remain valid until 28th February 2028. Our bid security is valid until 30th March 2027.
4. We confirm that all information and statements in our proposal are true. We accept that any misrepresentation may lead to our disqualification or to termination of the contract.
5. We confirm that the key experts named in our proposal are available for the engagement and that we will not substitute them except as permitted under the RFP.
6. We meet the eligibility and independence requirements of Part II, Clauses 3 and 4, and we will comply with the Integrity Pact and the laws of Bhutan on fraud and corruption.
7. If our proposal is accepted, we undertake to furnish the performance security and sign the contract within the time required. We understand that GFL is not bound to accept any proposal.

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form T-2: Bidder Information

Sl.	Particulars	Details
1	Name of the firm	
2	Registered address	
3	Legal status (partnership / company / other)	
4	Date and reference number of registration / incorporation	
5	Trade licence number and validity	
6	Taxpayer Number (TPN)	
7	RAA empanelment reference	
8	Name and designation of the contact person for this RFP	
9	Telephone	
10	E-mail of the contact person	
11	Website	
12	Number of partners / qualified staff / total staff	
13	Annual fee income for the last three years (Nu)	20__: 20__: 20__:

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form T-3: Firm Experience (Last Five Years)

List statutory audits of RMA-regulated financial institutions and other relevant audits completed in the last five years. Attach evidence for each entry (Part IV, Note 1).

Sl.	Client name	Type of institution	Financial years audited	Scope of work	Signing partner	Evidence attached
1						
2						
3						
4						
5						
6						
7						
8						

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form T-4: Approach, Methodology and Work Plan

The firm shall describe its proposed approach in **not more than 15 pages** (A4, font size not smaller than 10 pt), organised under the element headings below, which are the elements scored under Section B of Part IV. Material beyond 15 pages will not be scored.

B1. Understanding of GFL, its business and key audit risks

B1.1 GFL's business and regulatory position: DMFI licence, CMB and member-institution customer base, deposit, credit and GerabPay services

B1.2 Significant audit risks named and explained, covering at least loan impairment/ECL, interest income recognition, IT and payment systems, and related parties

B1.3 First-year audit issues: opening balances and balances at commencement, set-up of accounting policies, absence of a predecessor auditor

B1.4 RMA reporting obligations: prudential returns and any long-form or AML/CFT reports, and how they will be delivered

B2. Audit approach for the loan portfolio, ECL and RMA provisioning, deposits and payments

B2.1 Loan existence and classification: confirmations, physical file review and basis for selecting samples

B2.2 ECL review: staging, PD/LGD/EAD inputs, data quality, management overlays and the role and hours of the ECL Specialist

B2.3 RMA asset classification and provisioning, and reconciliation of ECL to RMA provisions

B2.4 Deposits: interest accruals, dormant and unclaimed balances, and confirmation procedures

B2.5 Payments and settlement: GerabPay, BFS and QR settlement accounts and reconciliations

B3. Approach to IT (core banking and GerabPay) and AML/CFT compliance

B3.1 IT general controls: user access, change management, IT operations, backup and recovery

B3.2 Application controls and reliability of system-generated reports from the core banking system and GerabPay, including any data analytics

B3.3 AML/CFT testing: customer due diligence, transaction monitoring and suspicious transaction reporting

B4. Work plan, timetable and allocation of hours

B4.1 Dated timetable for each financial year meeting the Delivery Schedule in Part III, Clause 6 (2 = all deadlines met with dates; 1 = dates given but any deadline missed or not dated; 0 = no timetable)

B4.2 Hours by financial year and by team member, consistent with Form T-5, showing partner and specialist time at planning, fieldwork and completion

B4.3 Information required from GFL (PBC list), when it is needed, and other dependencies

In addition, and outside the 15-page limit, the firm shall describe its quality management arrangements (including engagement quality review) and may comment on the Terms of Reference. These are not scored.

Cross-reference table (mandatory). The firm shall complete and attach this table. Evaluators will score each element only from the pages referenced for it; an element with no page reference scores 0.

Element	Short description	Page no(s). in proposal
B1.1	GFL's business and regulatory position	
B1.2	Significant audit risks named and explained	
B1.3	First-year audit issues	
B1.4	RMA reporting obligations	
B2.1	Loan existence and classification	
B2.2	ECL review	
B2.3	RMA asset classification and provisioning	
B2.4	Deposits	
B2.5	Payments and settlement	
B3.1	IT general controls	
B3.2	Application controls and reliability of system-generated reports from the core banking system and GerabPay	
B3.3	AML/CFT testing	
B4.1	Dated timetable for each financial year meeting the Delivery Schedule in Part III	
B4.2	Hours by financial year and by team member	
B4.3	Information required from GFL (PBC list)	

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form T-5: Team Composition and Estimated Hours

Sl.	Name	Position / role	Qualification	Years of experience	FY2025 hours	FY2026 hours	FY2027 hours	FY2028 hours
1								
2								
3								
4								
5								
6								
7								
8								
Total hours								

Key experts (Engagement Partner, Audit Manager, ECL Specialist and IT Auditor) must be identified. Hours shown here must be consistent with the work plan in Form T-4.

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form T-6: Curriculum Vitae of Key Expert

Particulars	Details
Proposed position	
Name	
Date of birth / nationality	
Professional qualifications (body, membership no., year)	
Education	
Years of post-qualification experience	
Employment record (employer, position, period)	
Relevant assignments (client, type of institution, financial year, role)	
ECL / IT audit experience (if applicable)	

Certification: I certify that this CV correctly describes my qualifications and experience, and that I will be available to work on this engagement for all three engagement years if the contract is awarded.

Signature of key expert: _____ Date: _____

Signature of authorised signatory of the firm: _____ Date: _____

Form T-7: Declaration of Independence and Conflict of Interest

We, _____ (name of firm), declare that:

1. We, our affiliates, partners and proposed personnel are independent of Gerab Financials Limited in accordance with the AASBB Code of Ethics, the Companies Act of Bhutan 2016 and applicable RAA requirements.
2. None of the circumstances listed in Part II, Clause 4.2 of the RFP apply to us, our affiliates or our proposed personnel.
3. We disclose below all current or past engagements (within the last three years) with GFL, Gerab Nyed-Yon Limited, other GNY Group companies, and any Central Monastic Body institution that we know to be a customer of GFL:

Sl.	Entity	Nature of service	Period	Fee (Nu)
1				
2				
3				
4				

4. We will notify GFL immediately in writing of any actual, potential or perceived conflict of interest that arises during the selection process or the engagement.

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form T-8: Self-Declaration of Non-Debarment

We, _____ (name of firm), declare that we, our partners and our proposed key experts are not blacklisted, suspended or debarred by the Royal Audit Authority, the Royal Monetary Authority, any company of the GNY Group or any other government authority in Bhutan, and that no such proceedings are pending against us.

We understand that if this declaration is found to be false, our proposal will be rejected, any contract awarded may be terminated and our bid security or performance security forfeited.

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form F-1: Financial Proposal Submission Form

[On the firm's letterhead – place in Envelope 2 only]

To: The Chief Executive Officer, Gerab Financials Limited, Namgyel Khangzang, Simtokha, Thimphu

Re: RFP No. GFL/AUDIT/2026/01 dated 10th November 2026 – Statutory Audit Services, FY2025 to FY2028

Dear Sir/Madam,

1. Having examined the RFP, including Addenda Nos. _____, we offer to provide the statutory audit services for FY2025, FY2026, FY2027 and FY2028 in full conformity with the RFP for a **total sum of Nu _____ (Ngultrum _____)**, including all applicable taxes, as detailed in Form F-2.
2. The fees quoted for each financial year are fixed lump sums inclusive of all professional fees, out-of-pocket expenses and other costs, and will not be adjusted for the duration of the engagement.
3. Our Financial Proposal is binding upon us, subject to negotiation, until 28th February 2027.
4. We undertake that, in competing for and executing this contract, we will strictly observe the laws against fraud and corruption in force in Bhutan. We acknowledge that GFL is not bound to accept the lowest or any proposal.

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form F-2: Price Schedule

All amounts in Ngultrum (Nu). Quote a fixed lump sum for each financial year.

Engagement year	Financial year	(A) Professional fee	(B) Out-of-pocket expenses	(C) Sub-total (A+B)	(D) Applicable indirect tax, if any	(E) Total (C+D)
Year 1	FY2025					
Year 1	FY2026					
Year 2	FY2027					
Year 3	FY2028					
Grand Total (evaluated price)						

Reference information	FY2027	FY2028
Increase over FY2026 fee (%)		

Grand Total in words: Ngultrum _____

Signature of authorised signatory: _____

Name: _____ Designation: _____

Firm's seal:

Date: _____ Place: _____

Form S-1: Bid Security (Bank Guarantee)

[On the letterhead of the issuing financial institution]

Beneficiary: Gerab Financials Limited, Namgyel Khangzang, Simtokha, Thimphu

Guarantee No.: _____ Date: _____

We have been informed that _____ ("the Bidder") will submit a proposal in response to RFP No. GFL/AUDIT/2026/01 for statutory audit services. At the request of the Bidder, we, _____ (name of institution), irrevocably undertake to pay you any sum or sums not exceeding in total **Nu _____ (Ngultrum _____)** on receipt of your first written demand, stating that the Bidder:

(a) has withdrawn its proposal during the period of proposal validity;

(b) has not accepted the correction of arithmetical errors in its proposal; or

(c) having been notified of the award, has failed to sign the contract or to furnish the performance security within the time required.

This guarantee is unconditional, enforceable in any bank in Bhutan, and remains valid until **30th March 2027**. Any demand must be received by us on or before that date.

Authorised signatory and seal of the financial institution: _____

Form S-2: Performance Security (Bank Guarantee)

[On the letterhead of the issuing financial institution]

Beneficiary: Gerab Financials Limited, Namgyel Khangzang, Simtokha, Thimphu

Guarantee No.: _____ Date: _____

We have been informed that _____ ("the Auditor") has entered into Contract No. _____ dated _____ with you for statutory audit services for FY2025 to FY2028, and that a performance security is required under the contract.

At the request of the Auditor, we, _____ (name of institution), irrevocably undertake to pay you any sum or sums not exceeding in total **Nu _____ (Ngultrum _____)**, being 10% of the contract price, on receipt of your first written demand stating that the Auditor is in breach of its obligations under the contract, without your needing to prove the grounds for your demand.

This guarantee is unconditional, enforceable in any bank in Bhutan, and remains valid until _____ (30 days after acceptance of the final FY2028 deliverables).

Authorised signatory and seal of the financial institution: _____

Form IP: Integrity Pact

This Integrity Pact is made between Gerab Financials Limited ("GFL") and _____ ("the Bidder") in respect of RFP No. GFL/AUDIT/2026/01 for statutory audit services.

1. **Commitments of GFL.** GFL and its officials will conduct the procurement fairly and transparently in accordance with the GNY Group Procurement Manual for Services; will not demand or accept any payment, gift or benefit; and will declare and withdraw from the process in case of any conflict of interest.
2. **Commitments of the Bidder.** The Bidder will not, directly or through any other person, offer, give, demand or accept any bribe, gift, commission or other advantage to influence the procurement or the execution of the contract; will not collude with other bidders on prices or other terms; will not submit false or misleading information; and will disclose any payments made to agents or intermediaries in connection with this RFP.
3. **Sanctions.** If the Bidder breaches this Pact, GFL may reject its proposal, terminate the contract, forfeit the bid security or performance security, and recommend debarment of the Bidder across the GNY Group and to the relevant authorities, in addition to any action under the laws of Bhutan.
4. **Duration.** This Pact takes effect on signature and remains in force until the completion of the contract or, for unsuccessful bidders, until the award of the contract.

For Gerab Financials Limited	For the Bidder
Signature: _____ Name: Designation: Date:	Signature: _____ Name: Designation: Date:

PART VI – DRAFT CONTRACT

The contract will be a lump-sum contract for statutory audit services. The General Conditions below will apply; the Special Conditions will be completed from the successful proposal and negotiations.

A. General Conditions of Contract

1. Definitions. "GFL" means Gerab Financials Limited. "Auditor" means the selected firm. "Services" means the statutory audit services described in the Terms of Reference (Part III), as finalised at negotiation. "Contract Price" means the total of the annual fees in the Special Conditions.

2. Documents. The contract consists of, in order of precedence: the Contract Agreement; the Special Conditions; these General Conditions; the agreed Terms of Reference and methodology; the Auditor's proposal; and the RFP and its addenda.

3. Term and appointment. The contract covers the statutory audits of FY2025, FY2026, FY2027 and FY2028. Continuation into Year 2 and Year 3 is subject to satisfactory annual performance review by BARC, annual confirmation of appointment by the Board and shareholders, and continued RAA empanelment and RMA acceptability of the Auditor.

4. Standard of performance. The Auditor shall perform the Services with reasonable skill, care and diligence in accordance with the Bhutanese Standards on Auditing, the AASBB Code of Ethics and applicable laws, and shall act as a faithful adviser to GFL in all professional matters.

5. Independence. The Auditor shall remain independent of GFL throughout the contract and shall not provide non-audit services that create self-review, advocacy or management threats. Other non-audit services require the prior written approval of BARC.

6. Key experts. The key experts named in the Special Conditions shall not be replaced without GFL's prior written approval. Any replacement shall be equally or better qualified, at the same remuneration, and the Auditor shall bear all costs of replacement.

7. GFL's obligations. GFL shall provide timely PBC schedules, access to records, systems (including read-only access to the Core Banking System) and personnel, workspace at its Head Office and a counterpart officer.

8. Contract price. The annual fees are fixed lump sums inclusive of all costs and are not subject to price adjustment for the duration of the contract. Taxes are payable as stated in the Special Conditions.

9. Payment. For each financial year: 40% on submission of the draft audit report, draft management letter and BARC presentation; and 60% on submission of the signed auditor's report, final management letter and required RMA reports. GFL shall pay within 30 days of receipt of a correct invoice. Taxes are deducted at source as required by law.

10. Delay. If the Auditor fails to meet a deadline in the Delivery Schedule for reasons attributable to it, GFL may deduct liquidated damages of 0.5% of that financial year's fee for each week of delay, up to a maximum of 10% of that year's fee. Delays caused by GFL extend the deadline by a corresponding period.

11. Performance security. The Auditor shall maintain the performance security required by the RFP until 30 days after acceptance of the final FY2028 deliverables. GFL may claim against it for any breach of contract by the Auditor.

12. Confidentiality. The Auditor shall keep strictly confidential all information about GFL, its customers and its business obtained during the Services, and shall not disclose it except as required by law, by the RAA or the RMA, or with GFL's written consent. This obligation survives termination.

13. Working papers. Audit working papers are the property of the Auditor and shall be retained in accordance with applicable laws and professional standards. They shall be made available to the RAA, the RMA or a successor auditor where permitted or required by law.

14. Ownership of reports. All reports and deliverables prepared for GFL become the property of GFL on payment.

15. Force majeure. Neither party is liable for delay caused by events beyond its reasonable control, including war, civil disturbance, fire, flood, epidemic or earthquake. The affected party shall notify the other promptly in writing with supporting evidence, and the time for performance shall be extended by the period of the delay.

16. Termination by GFL. GFL may terminate the contract by 30 days' written notice in case of unsatisfactory performance, loss of RAA empanelment or RMA acceptability, breach of independence, material breach of contract, fraud or corruption, or non-reappointment. Fees are payable for Services satisfactorily performed up to the date of termination.

17. Termination by the Auditor. The Auditor may terminate the contract by 30 days' written notice if GFL fails to pay undisputed amounts within 60 days of their due date, or as permitted by professional standards, giving reasons in writing as required by the Companies Act of Bhutan 2016.

18. Settlement of disputes. The parties shall first attempt to settle any dispute amicably. Disputes not settled within 30 days shall be resolved in accordance with the Alternative Dispute Resolution Act of Bhutan.

19. Governing law and language. The contract is governed by the laws of the Kingdom of Bhutan. The language of the contract is English.

20. Amendment and notices. Amendments are valid only if made in writing and signed by both parties. Notices shall be in writing and delivered to the addresses in the Special Conditions.

21. Integrity. The Integrity Pact signed with the proposal forms part of the contract.

B. Special Conditions of Contract

Item	Particulars
Contract No. and date	
Name and address of the Auditor	
GFL counterpart officer	[Name, designation, e-mail]
Auditor's Engagement Partner	

Item	Particulars
Key experts (GCC 6)	Engagement Partner, Audit Manager, ECL Specialist, IT Auditor: [names]
Annual fees (GCC 8)	FY2025: Nu _____ FY2026: Nu _____ FY2027: Nu _____ FY2028: Nu _____
Contract Price	Nu _____ (including taxes of Nu _____)
Delivery Schedule (GCC 10)	As agreed at negotiation, based on Part III, Clause 6
Performance security (GCC 11)	Nu _____, valid until _____
Addresses for notices (GCC 20)	GFL: Namgyel Khangzang, Simtokha, Thimphu; gfl@gfl.bt Auditor: _____

C. Contract Agreement

This Agreement is made on _____ between Gerab Financials Limited, Namgyel Khangzang, Simtokha, Thimphu, Bhutan ("GFL"), and _____ ("the Auditor").

GFL has selected the Auditor under RFP No. GFL/AUDIT/2026/01 to provide statutory audit services for FY2025, FY2026, FY2027 and FY2028. The Auditor agrees to provide the Services, and GFL agrees to pay the Contract Price, in accordance with the documents listed in GCC 2, which form part of this Agreement.

For Gerab Financials Limited	For the Auditor
Signature: _____ Name: Designation: Witness:	Signature: _____ Name: Designation: Witness: