

REQUEST FOR PROPOSAL
FOR THE PROVISION OF FINANCIAL ADVISORY SERVICES
IN CONNECTION WITH HRADF'S PARTICIPATION IN PPC

03.08.2018

1. Introduction

“Hellenic Republic Asset Development Fund S.A.” (the “**HRADF**” or the “**Fund**”) is the legal entity entrusted with the implementation of the privatization program of the Hellenic Republic (the “**HR**”). HRADF is established by and is operating under Law 3986/2011. Pursuant to article 188 par. 1 of Law 4389/2016, HRADF became a direct subsidiary of the “Hellenic Corporation of Assets and Participations S.A.” (the “**HCAP**”). In accordance with HRADF’s Asset Development Plan (the “**ADP**”), the Fund is seeking to appoint an advisor (the “**Advisor**”) with significant advisory experience with respect to its shareholding in the “Public Power Corporation S.A.” (the “**PPC**”).

PPC is currently the biggest power producer and electricity supply company in Greece with approximately 7.3 million customers. PPC currently has in its ownership assets in lignite mines, power generation and distribution. PPC’s current power portfolio consists of conventional thermal and hydroelectric power plants, as well as RES units.

Pursuant to decision nr. 249/08.04.2014 of Inter-ministerial Committee for Asset Restructuring and Privatisation (Government Gazette Bulletin B’, nr. 864/08.04.2014), the HR has transferred to HRADF, full ownership rights of 39.440.000 PPC shares corresponding to a percentage of approximately 17% of the total share capital of PPC.

According to the Decision 57/19.05.2017 of the Government’s Council for Economic Policy, on “The structural measures for PPC’s access to lignite” and in compliance with the decisions C (2008) 824 and C (2009) 6244 of the European Commission on PPC’s monopoly access to lignite, which became irreversible after the (2016) 733 and (2016) 748 decisions of the General Court of the European Union, Greece proposed to the Commission’s Directorate General for Competition (DG Comp.) PPC’s divestment of lignite power generating units to existing or new alternative suppliers or other investors. In this context, in January 2018, the Hellenic Republic proposed to the European Commission’s Directorate General for Competition as a binding structural measure the divestment of three (3) existing lignite units of PPC, namely Meliti 1 (330 MW installed capacity), Megalopolis 3 (300 MW) and Megalopolis 4 (300 MW), as well as the production license for a new lignite unit (Meliti 2, 450 MW), together with the exploration and exploitation rights of the respective lignite mines (Megalopolis mine for the units Megalopoli 3 and 4 and the mines Kleidi, Meliti hills and Vevi for Meliti).

The Directorate-General for Competition conducted a market test for the aforementioned commitment of the Hellenic Republic. In addition, following the above, the Greek Parliament on 25/4/2018 voted the legislative provisions entitled «Structural measures for access to lignite and the further opening of the wholesale electricity market and other provisions» (Law 4533/2018 - Government Gazette Bulletin A’, nr. 75/27.04.2018), which define the process of the spin-off and contribution of two (2) lignite sectors of PPC SA in two (2) new companies (one in Meliti and one in Megalopolis), the framework of the international tender procedure for the sale of the shares that PPC SA will take over, the responsibility of PPC SA for the two (2) new companies and, the employment relations of the employees in the two (2) new companies. On 26.06.2018 the Extraordinary General Assembly of PPC approved the above spin-off and the tender process for the divestment of the two (2) new companies is underway (the “**Divestment**”).

Against this background, HRADF is seeking to appoint a financial advisor (the “**Advisor**”) with significant experience in providing financial advisory services and/or delivering valuations in connection with

transactions in the energy and power sector to assist and advise the Fund in its role as PPC's 17% shareholder.

The assignment will be awarded in accordance with the provisions of law 3986/2011 and paragraph 2.3 of the Procurement Regulation of HRADF (Greek Government Gazette, Bulletin B', nr. 476/26.02.2014), as in force.

2. Scope of Work

The Advisor is expected to provide, inter alia, the following services to HRADF:

- Review all information and documentation made available to PPC's shareholders in connection with the Divestment;
- Provide written recommendations to the Fund's BoD as regards the appropriate course of action in its capacity **as PPC's 17% shareholder**, ahead of the approval of the Divestment by PPC's General Assembly of Shareholders, in cooperation also, where deemed appropriate, with the Fund's legal advisor on the Divestment.

3. Duration and Budget

Duration of the Engagement: The duration of the engagement shall be three (3) months or up to PPC's General Assembly of Shareholders approving the Divestment, whichever occurs first; commencing from the HRADF's written notice to the Advisor requesting to commence the provision of services.

Maximum Budget: The maximum available budget for the award of the services is EUR 190,000 (plus VAT, including all out of pocket expenses).

4. Qualification Criteria

Interested parties should be able to demonstrate their standing and professional experience in relation to the assignment tendered. In particular, the tenderers should be able to demonstrate:

- 4.1. Track Record & Experience:** Proof of expert advisory services experience in valuations/ transactions in the energy and in particular power sector (preferably within the EU). Experience in the Greek market will be highly appreciated. The Dossier should include obligatorily a catalogue of all the relevant projects in which the interested party has participated in the last ten (10) years (**Dossier A'**).
- 4.2. Project Team:** Proposed project team composition and its proposed structure, including the designation of the project leader and of the senior members of the team. The Dossier should also include the CVs and a list of any relevant project experience of all the members of the proposed project team during the past ten (10) years (**DOSSIER B'**).
- 4.3. Methodological Approach:** Present an understanding of the context of the Divestment and its impact on PPC's strategy along with a brief description of the proposed approach to the assignment (**DOSSIER C'**).
- 4.4. Financial Offer:** Proposed fees should be quoted, set at a fixed amount including all expenses (**DOSSIER D'**).

4.5. Interested parties and each member of their proposed project team must declare in writing that they do not have a conflict of interest. Such a declaration confirming the absence of any conflict of interest shall be in effect throughout the term of the engagement of the Advisor with HRADF.

Interested parties must meet all the qualifications as described above under 4.1 through 4.5. Interested parties, who fail to submit their proposal fully compliant to the qualifications required under 4.1 through 4.5 of this Request for Proposals (the “**RfP**”), shall be disqualified from the tender. The Advisor must observe and abide by the rules provided for in art. 7 of the Law 3049/2002 and particularly their professional code of conduct and relevant confidentiality rules even after the conclusion of their engagement.

5. Selection Process

The assignment will be awarded in accordance with the provisions of Law 3986/2011 and article 2.3 of HRADF’s Procurement Regulation, as in force.

Interested parties are assessed and evaluated in accordance with the table below. The tender will be awarded to the interested party with the highest score (the “**Preferred Bidder**”).

Interested parties are evaluated on the basis of the following criteria and their respective weighting:

Criterion	Weighting
Track Record & Experience - DOSSIER A’	25%
Project Team - DOSSIER B’	25%
Methodological Approach - DOSSIER C’	20%
Budget - DOSSIER D’	
Proposed fees for advising HRADF	30%

HRADF may request additional documents and/or clarifications and/or information from interested parties in connection with any issue related to their proposals, as deemed necessary. The proposals, consisting of DOSSIERS A’, B, C’ and D’ and any other supporting documentation which proves the required experience and expertise of interested parties as well as of the individual members of their proposed team, are permissibly submitted **only** electronically by e-mail to the e-mail address: info@hraf.gr (for the attention of Mr. Yiannis Zapantis), marked “**PPC: PROPOSAL FOR FINANCIAL ADVISOR**”. DOSSIER D’ must be protected with a password; if not, the interested party shall be automatically disqualified. Following the assessment of DOSSIERS A’, B’, C’, and provided that the declarations confirming the absence of any conflict of interest are included, **only** the interested parties which comply with the requirements under section 4 (regarding DOSSIER A’, B’, and C’) will be invited via e-mail to send the password for DOSSIER D’. The Interested parties who fail to comply with the above requirements will be notified accordingly. Following the assessment of DOSSIER D’, interested parties (invited to send the password for DOSSIER D’) will be notified about the outcome of the process.

The proposals must be submitted no later than 07.09.2018, at 17:00, Athens time. Proposals submitted after the aforementioned deadline shall be deemed inadmissible and thus immediately rejected. In the case of a late receipt, the proposal shall not be evaluated.

HRADF reserves the right to enter into discussions and negotiations with the Preferred Bidder for the improvement of its bid, prior to the final award of the assignment.

The award of this assignment is subject to the conclusion of a written contract. In case the Preferred Bidder fails to execute such contract, HRADF reserves the right to address the next bidder as per the ranking order of the proposals' evaluation and repeat such process until successful conclusion of the contract for the award of the assignment.

6. Terms and Conditions

- 6.1.** The proposals to be submitted and this RfP, as well as the Advisor's engagement letter with regard to the provision of the services required under this RfP, are and shall be governed by and construed in accordance with the laws of the Hellenic Republic, taking also into consideration the prevailing market's levels, the practice of HRADF and its internal policy, including terms and conditions customary in the circumstances.
- 6.2.** Payment of expenses to the Advisor shall be subject to the Project Expenses policy of HRADF on the reimbursement of the expenses of its Advisors.
- 6.3.** HRADF or any of its advisors, or agents, or employees, or officers is not to be held responsible or liable in respect of any error or misstatement/misrepresentation in, or omission from, this RfP. No person acquires against HRADF and its officers, agents, employees and officers, or the HCAP or the Advisors any right or claim for compensation, or indemnification, or other, for any reason or cause related to this RfP and/or the proposals submitted and/or the participation in the tender. No representation, warranty or undertaking, expressed or implied, is, or will be made, in relation to the accuracy, adequacy or completeness of this RfP and the tender process in general.
- 6.4.** HRADF reserves the right, at the fullest extent possible and at its exclusive discretion, to cancel, suspend, amend or postpone this procedure, without any prior notice or update, as well as to terminate any negotiations or discussions at any stage of the process, without incurring any liability whatsoever as against any participant and/or any third party.
- 6.5.** Any dispute arising under, or out of, or in connection with the present RfP including the proposals submitted and the Advisor's engagement letter for this assignment, shall be subject to the exclusive jurisdiction of the Courts of Athens, Greece.

7. Information for personal data processing

I. Information

The Hellenic Republic Asset Development Fund which is based in Athens, 1 Kolokotroni and Stadiou Str, 105 62, Phone: +30 210 3274400, e-mail: info@hraf.gr, informs, in its role as controller, each natural person that the Fund itself (or HCAP, public entities and judicial authorities within their competence) will process the following data:

A. Type and source of data

The personal data included in the present Request for Proposals (the "RfP") (indicatively as per Qualification & Criteria in paragraph 4 of the RfP), which is submitted to the Fund in the context of this tender process by a natural person.

B. Purpose of Processing

Processing purpose is the evaluation of the proposals, the implementation of the tender process, as well as of the engagement letter, and their monitoring, the safeguarding of the Fund's rights and the security and protection of transactions in general, the fulfillment of the Fund's legal obligations, the prevention of fraud against the Fund, as well as informing interested parties with regard to the evaluation of their submitted proposals as per section 5 of the RfP.

C. Recipients of Data

The recipients of the above (under para. 7.I.A) data with whom data may be shared are the following: Hellenic Corporation of Assets and Participations S.A., public entities and judicial authorities within their competence.

II. Retention period

The data under para. 7.I.A may be retained for a period starting from the date of their receipt and lasting: (a) for 20 years in case no engagement letter is concluded (b) for 20 years after the termination of the engagement letter, in case an engagement letter is signed. After the expiration of the above periods the personal data will be destroyed.

III. Enforcement of rights

1. Each natural person has the right to know which of his/her personal data are or have been processed, to oppose and to object to the processing of data which concern him/her for purposes other than those described above in par. 7.I.B, as well as to transmit his/her data to another controller, without the objection of the Fund. For the enforcement of said rights persons concerned may address the Fund in writing (email: dpo@hraf.gr). The enforcement of said rights regarding the processing of personal data of the above para. 7.I.A. concerns exclusively their correction or update in order for those to be complete and accurate.
2. The enforcement of said rights does not relieve interested parties from their obligations deriving from their participation in the tender process.
3. The Fund has the right to deny the request for erasure of any natural person's data if their retention is necessary for compliance with a legal obligation, for the performance of a task carried out in the public interest, for archiving purposes in the public interest, or for the establishment, exercise or defense of legal claims or third-party claims.

IV. Obligations of the Fund

The Fund has the obligation to take every reasonable measure to ensure the confidentiality and the security of personal data processing and the protection of said data from accidental or unlawful destruction, accidental loss, alteration, unauthorised disclosure of, or access to, personal data by anyone, as well as from any other form of unlawful processing. Capitalised terms shall have the meaning attributed to them in the RfP.