



HELLENIC REPUBLIC ASSET
DEVELOPMENT FUND

**REQUEST FOR PROPOSAL FOR A FAIRNESS ADVISER
TO THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND
IN RELATION TO THE PRIVATISATION OF HELPE S.A.**

Athens, 30 July 2018

1. Introduction

Pursuant to:

- i. the provisions of the single article of Law 3985/2011 “Medium Term Fiscal Strategy 2012-2015” (Government Gazette A’/151/2011), which approved the Medium Term Fiscal Strategy 2012-2015 and the “Privatisation Programme 2011-2015” (Chapter B’, Part II “Privatisations”);
- ii. the provisions of Law 3986/2011 on “Emergency Implementation Measures for the Medium Term Fiscal Strategy Framework 2012-2015” (Government Gazette A’/151/2011), on the basis of which the Hellenic Republic Asset Development Fund SA (“**HRADF**” or the “**Fund**”) was established with the sole object of developing assets of the Hellenic Republic, which are included in the Privatisation Programme;
- iii. the provisions of Law 4046/2012 (Government Gazette A’/28/2012) “Approval of the Draft Agreements for Financial Assistance Facility between the EFSF, the Hellenic Republic and the Bank of Greece, of the Memorandum of Understanding between the Hellenic Republic, the European Commission and the Bank of Greece and other provisions for the reduction of the public debt and the salvage of the national economy” which updated the Privatisation Programme included in Annex IV;
- iv. the provisions of paragraph 4.4 (Structural Policies for the enhancement of competitiveness and development - Privatisation) of Law 4336/2015 (Government Gazette A’/94/2015) “Ratification of the draft agreement for the Financial Support from the European Stability Mechanism and provisions for the implementation of the Financing Agreement”;
- v. the provisions of Decision No. 206/25.04.2012 of the ICARP (Government Gazette 1363/B’/26.04.2012), according to which the Hellenic Republic (“**HR**”) transferred to HRADF transferred to the Fund 108.430.304 registered shares of HELPE, representing 35,477% of the share capital of HELPE;



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- vi. the provisions of the updated Asset Development Plan of the HRADF, as approved by HRADF's BoD and endorsed by means of a relevant decision by the Government's Council for Economic Affairs and Policy on the 7th of June 2018;
- vii. the provisions of the Procurement Regulation of the HRADF (hereinafter referred to as the "**Procurement Regulation**") as amended and codified by Decision No 2/16128/0025 of the Minister of Finance (Government Gazette B'/476/2014), namely articles 2.1, 2.4, 2.5, and 2.6, the Privatisation Programme of the Hellenic Republic, as it currently stands, foresees, *inter alia*, the monetisation of its shareholding in Hellenic Petroleum S.A. ("**HELPE**" or the "**Company**").

The Asset

HELPE is South East Europe's major downstream oil group and a fully integrated energy player, comprising refining, marketing, petrochemicals, power, gas and exploration and production operations across Greece, Cyprus, Montenegro, Serbia, Bulgaria and FYROM.

The shares of HELPE are primarily listed on the Athens Exchange (ATHEX: ELPE) with a secondary listing on the London Stock exchange (LSE: HLPD/98LQ). The main shareholders of HELPE are: (a) Paneuropean Oil and Industrial Holdings S.A. ("**POIH**") with a 45,47% stake in the share capital of HELPE and (b) HRADF with a 35,48% stake in the share capital of HELPE, while the remaining 19,05% free float is held by institutional and private investors. POIH is a private holding company based in Luxembourg (member of the Latsis Group of Companies).

The Transaction

HRADF and POIH, in their capacity as significant majority shareholders of HELPE, have entered into arrangements with the intention of divesting jointly a combined majority stake representing 50,1% of the share capital of HELPE, through an international open tender process ("**Transaction**").

On 18 April 2018, HRADF published an Invitation for the submission of Expressions of Interest for the Transaction. On 18 July 2018, two interested parties prequalified to participate in the second phase of the tender process.



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The second phase of the tender process, leading up to the submission of binding offers, commenced on the 19 July 2018.

Goldman Sachs International and NBG Securities SA (together the “**Financial Advisers**”), and Bracewell (UK) LLP and KLC Law Firm (together the “**Legal Advisers**”) are acting as advisers to HRADF regarding this transaction.

2. **Scope of work**

Within the aforementioned framework, the Fund is seeking to engage an international investment bank (the “**Fairness Adviser**”) to carry out and deliver a separate fairness opinion on the fairness, from a financial point of view, of the financial consideration to be paid to the Fund in connection with the Transaction (hereinafter the “**Fairness Opinion**” including any potential update thereof as the Fund may request).

The Fairness Opinion should include an executive summary, as well as a comprehensive review and analysis of the methodologies, assumptions, considerations and supporting documentation considered by the Fairness Adviser for the preparation of the Fairness Opinion.

The Fairness Adviser may be requested to liaise with HRADF’s Advisors in the context of producing the Fairness Opinion.

HRADF will make available to the Fairness Adviser all material available to bidders in the Virtual Data Room of the Transaction.

The Fairness Adviser will present the Fairness Opinion, including the fairness principles and methodologies, assumptions and considerations used in its preparation, to the Fund’s Board of Directors and the Fund’s Council of Experts.



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3. Duration and Budget

Duration of the Engagement: The maximum duration of the engagement should be up to four (4) weeks. If needed and according to HRADF's regulation, an extension of the duration may be provided.

Maximum Budget: The maximum available budget for the assignment is five hundred thousand euros (€ 500,000.00) plus VAT. The available budget includes any and all required expenses to complete the assignment.

4. Qualifications and Criteria

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

- 4.1. **Track Record & Experience:** Proof of relevant experience in the delivery of valuation or fairness opinion or similar assignments in connection with companies operating in the energy sector and in the oil and gas sector in particular. 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 team composition and its proposed structure, including the designation of the team 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. The suggested senior members of the project team may be replaced only with HRADF's prior consent, which shall not be unreasonably withheld (**DOSSIER B'**).
- 4.3. **Methodological Approach:** The Interested Parties should present their approach to the assignment, critical issues and methodologies, including a timeline (**DOSSIER C'**).
- 4.4. **Financial Offer:** The Dossier should include the proposed fees. The proposed fees should include any and all required expenses to complete the assignment (**DOSSIER D'**).



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- 4.5. Absence of conflict of interest:** Interested Parties and each member of their proposed project team must perform a non-conflict check and declare in writing in their offers that they are acting independently and they do not have a conflict of interest and are not involved with HELPE and/or POIH as well as with any of the interested bidders and their respective advisors, in relation to the contemplated Transaction. Such a declaration confirming the absence of any conflict of interest shall be in effect throughout the term of the engagement with HRADF.
- 4.6.** Interested Parties must meet all the qualifications as described above under 4.1 through 4.5. Interested parties, who fail to submit their Proposals fully compliant to the qualifications required under 4.1 through 4.5 of this Request for Proposals, shall be disqualified from the Tender.
- 4.7.** The Fairness Adviser must observe and abide by the rules provided for in art. 7 of the Law 3049/2002 and in particular their professional code of conduct and the relevant confidentiality rules, even after the conclusion of their engagement.

5. Selection Process

The assignment will be awarded in accordance with the provisions of the Law 3986/2011 and article 2.4 of the Procurement Regulation of HRADF, as in force.

Interested Parties are assessed and evaluated in accordance with the table below. The assignment will be awarded to the interested party with the highest score. 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'	10%
Financial Offer - DOSSIER D'	40%

HRADF may request additional documents and/or clarifications and/or information from the Interested Parties in connection with any issue related to their Proposals, as deemed



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necessary. The Interested Parties may be also requested to present their approach for the assignment following the submission of their Proposals.

The Proposals, consisting of DOSSIERS A', B, C' and D', the declarations confirming the absence of any conflict of interest and any other supporting documentation which proves the required experience and expertise of the Interested Parties as well as of the individual members of their proposed team, are permissibly submitted **only** electronically by e-mail at the e-mail address: info@hraf.gr (for the attention of Mr. Yiannis Zapantis), marked "**FAIRNESS ADVISER FOR HELPE**". In addition, the Interested Parties may also submit to HRADF, at their discretion, a hard copy of DOSSIERS A', B' and C', in a sealed envelope, at the premises of HRADF, (1 Kolokotroni & Stadiou Str., 7th floor, Athens 10562, Greece). In case of any discrepancy or any other inconsistency between the hard copy and the electronic submission via e-mail, the e-mail submission shall prevail.

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 of this Request for Proposals 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', the Interested Parties (invited to send the password for DOSSIER D') will be notified about the outcome of the process.

The Proposals are submitted no later than 05 September 2018, 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 submitted shall not be evaluated.

HRADF reserves the right to enter into discussions and negotiations with the Interested Party with the highest score, prior to the final award of the assignment.

The award of the assignment is subject to the conclusion of a written contract.



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6. Terms and Conditions

- 6.1.** The Proposals to be submitted and this Request for Proposals, as well as the Fairness Adviser's engagement letter, shall be governed by and construed in accordance with the laws of Greece, 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 Fairness Adviser 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 are not to be held responsible or liable in respect of any error or misstatement/misrepresentation in, or omission from, this Request for Proposals. No person acquires against HRADF and its officers, agents, employees and officers, or the Hellenic Corporation of Assets and Participations S.A. ("HCAP") or the Financial Advisers or the Legal Advisers any right or claim for compensation, or indemnification, or other, for any reason or cause related to this Request for Proposals and/or any proposal 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 Request for Proposals 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 Request for Proposals including the Proposals submitted and the Fairness Adviser's engagement letter for the Transaction, shall be subject to the exclusive jurisdiction of the Courts of Athens.



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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, the 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 section 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 submitted, the implementation of the tender process, as well as of the Fairness Adviser’s 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.



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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 para. 7.I.B, as well as to transmit their 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.