HELLENIC REPUBLIC ASSET
DEVELOPMENT FUND

**INVITATION FOR EXPRESSION OF INTEREST TO ACT AS INTERNATIONAL LEGAL ADVISOR TO THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND IN CONNECTION WITH HRADF'S PARTICIPATION IN HELLENIC PETROLEUM S.A.**

Athens, 5 December 2017

**1. Introduction**

**1.1.** Pursuant to:

i. the provisions of the Law 3986/2011 on "Emergency Implementation Measures for the Medium-Term Fiscal Strategy Framework 2012-2015" (Government Gazette A'/151/2011), the Hellenic Republic Asset Development Fund SA (hereinafter the "***HRADF***" of the "***Fund***") was established with the sole object of developing assets of the Hellenic Republic, as included in the Privatisation Programme,

ii. the provisions of the updated Asset Development Plan of the HRADF, which was endorsed by the Governmental Council of Economic Policy with its decision no 63/17.05.2017,

iii. the decision by the Board of Directors of the Fund on 29.11.2017 regarding the present Invitation for Expression of Interest,

iv. the provisions of decision 206/25.04.2012 of the Interministerial Committee of Assets Restructuring and Privatisations, by virtue of which 108,430,304 shares in Hellenic Petroleum S.A. (the "Company" or "HELPE"), representing a 35.477% shareholding in HELPE, owned by the Hellenic Republic (the "HR"), were transferred to the HRADF, within the context of implementation of the Privatisation Programme of the Hellenic Republic.

v. the provisions of the Procurement Regulation of the HRADF (hereinafter referred to as the **"*Procurement Regulation*"**), as amended and codified by the Decision No 2/16128/0025 of the Minister of Finance (Government Gazette 476/B'/2014),

the current Privatisation Programme of the Fund foresees the further privatisation of the Fund's shareholding in HELPE (the "***Transaction***"), as described further below.

**1.2.** Within the framework of the Transaction, the Fund is seeking to engage an experienced international law firm (the "**Advisor**") with transactional and regulatory experience (including in Greece) and expertise in cross-border M&A and capital markets transactions in the Oil & Gas sector, including experience in transactions where the transfer of shares is subject to restrictions in, or otherwise governed by a shareholders' agreement, and to provide legal advisory services to the Fund in connection with the Transaction. The Advisor is expected to offer high quality and highly experienced legal services, covering the entire spectrum of English law, U.S. law and European Union law issues that arise in connection with the Transaction, irrespectively of the proposed structure of the Transaction to be adopted (the ***"Services"***), and to coordinate with the Fund's Greek legal counsel with respect thereto.

**2. Scope of Work**

The assignment will include two phases, Phase I and Phase II. Within the context of the assignment, the Adviser is expected to provide *inter alia* the following:

**Phase I**

In collaboration with the other professional advisors of the Fund, the Advisor is expected to undertake a comprehensive review and assessment (from an English law, U.S. law and EU law legal and regulatory perspective, as appropriate in relation to the strategic and structural options available to the Fund with respect to the privatisation of the Fund's shareholding in the Company. Following such review and assessment, the Advisor shall recommend to the Fund's Board of Directors and Counsel of Experts the optimal form of Transaction to be pursued. The recommendation shall be complemented with a full assessment by the Advisor of all the English law, U.S. law and EU law aspects, as appropriate, in relation to the various subject matters to be considered in connection with the implementation of the proposed Transaction and a list of the required transaction documentation.

During Phase I, the Advisor shall *inter alia*:

- Review and assess from an English law, U.S. law and EU law perspective, as appropriate, the regulatory and contractual obligations of the Fund and/or of the Hellenic Republic as the case may be, that may affect the ability to undertake the Transaction;

- Review and assess from an English law, U.S. law and EU law perspective, as appropriate, the structuring alternatives for the Transaction in coordination with the financial and/or other professional advisors of the Fund, taking into consideration the Fund's corporate and shareholding structure, corporate participations, existing shareholders' agreements and/or other relevant legal arrangements;
- Provide advice in connection with a potential capital markets transaction regarding compliance with Regulation S and Rule 144A and applicable restrictions in other jurisdictions;
- Review and assess from an English law, U.S. law and EU law perspective, as appropriate, any legal and regulatory obligations or potential legal and regulatory issues that may arise as a result of the structure of the Transaction;
- Review and assess from an English law, U.S. law and EU law perspective, as appropriate, any legal and regulatory requirements relevant to the Transaction, as well as any requirements that may be imposed by the EU authorities and/or authorities of any other jurisdiction depending on the final structure of the Transaction;
- Review and assess the selection and award process to be implemented, under the proposed transaction structure, in line with the prevailing regulatory framework and the legal practices in the UK, EU and the U.S., as appropriate;
- Identify and assess potential legal and regulatory issues that may have an impact on the structuring and on the execution of the Transaction, advise on legal or regulatory amendments that might be deemed necessary and prepare a legal report focusing on issues and findings that may have an impact on the execution of the proposed transaction and the transaction documents to be drafted;
- Advise the Fund on the process for and contents of communications and meetings with potential investors and their professional advisors and review and assess proposals of potential investors;
- Advise the Fund on the process for and contents of communications and meetings of the Fund with other shareholders of HELPE and/or their professional advisors;
- Identify and assess key legal and regulatory requirements for the implementation of the recommended Transaction and advise on the appropriate legal approach on key aspects of the Transaction in terms of structure, process and execution, providing customary legal opinions as deemed necessary by the Fund;

- In cooperation with the other advisors of the Fund, liaise with the relevant competent regulatory bodies, assist in analysing and examining the legal implications of any possible issues relating to capital markets and/or competition, state aid and/or other legal issues identified, advise on their resolution and if required provide customary legal opinions as deemed necessary by the Fund;
- Prepare any regulatory required actions, for required filling(s)/notification(s) to the competent authority, depending on the final structure of the Transaction; and
- In collaboration with the Greek legal advisor and all other professional advisors of the Fund, prepare and deliver to the Fund a report that will include a full and complete review and assessment of all material legal and regulatory issues and obligations arising in respect of the options considered for purposes of executing the Transaction.
- Organize a vendor due diligence process, and prepare a vendor due diligence report, from a legal perspective, as would be appropriate, to be made available to bidders if, in the judgment of the Fund, following the financial advisors opinion, such process would be expected to enhance the interest of the investor community and the overall success of the Transaction.

Upon the Fund’s request, the final recommendation and advice by the Fund’s advisors shall be addressed and presented (in the form of a comprehensive written report and presentation) to the Fund’s Board of Directors and Council of Experts.

**Phase II**

Following a formal approval by the Fund’s Board of Directors to proceed with the Transaction, and in coordination with other professional advisors of the Fund, the Advisor shall assist and advise the Fund from an English law, U.S. law and EU law perspective, as appropriate, on all legal and regulatory matters arising in connection with the execution of the Transaction, which may include, *inter alia*, the following:

- In coordination with the Fund’s other professional advisors, advise and assist on developing and organising all procedures required for the execution of the Transaction taking into consideration the shareholders’ agreement in place and/or other pertinent legal arrangements in place that have been identified in Phase I;
- Review any legal and regulatory requirements with regard to the Transaction as they develop, advise on and assist the Fund in the resolution of any legal and regulatory

issues of the Transaction with reference to structure, process and execution in order to ensure its successful implementation;

- Review, assess and opine, in conjunction with other professional advisors, on the proposals received from potential investors;
- Act as English law, U.S. law and EU law legal adviser to the Fund in connection with a capital markets transaction;
- Provide advice on the capital markets transaction structure and timetable;
- Prepare publicity, as well as research guidelines for connected analysts and brokers in relation to the preparation and publication of research and assist in the review of such research notes for factual errors and consistency with the prospectus, offering memorandum or other listing/disclosure document;
- In collaboration with the Greek legal advisor of the Fund, participate and advise on all communications and meetings with existing shareholders of HELPE and their professional advisors to achieve any required action for the amendment of existing contractual arrangements with regard to HELPE and all communications and meetings with potential investors and their professional advisors (including management presentations), as deemed necessary by the Fund. The legal advisor shall liaise, if required, with the legal advisors of HELPE and its other key stakeholders, in the process of reviewing any existing contractual arrangements and negotiate and draft any contract or agreement, including a shareholders' agreement, in the context of the Transaction;
- Assist in the preparation of an offering memorandum or other listing/disclosure document and drafting those sections describing the offering and participating in drafting meetings;
- Review and participate in the verification process with respect to any marketing materials prepared in relation to a potential capital markets transaction and any investor presentations and roadshows to be held in relation to a capital markets transaction;
- Review documentation for directors' and shareholders' meetings of the Fund to approve a capital markets transaction and all other documentation relating to the approval of the capital markets transaction by the Fund;
- In coordination with the other professional advisors of the Fund, support the Fund in organizing and managing the due diligence process as required. Perform a legal due diligence exercise for the purpose of assisting in the review and preparation of

documentation and execution of the capital markets transaction, which exercise includes attending management due diligence meetings, following-up on documentary and informational requests, participation in bring-down due diligence exercises prior to key transaction dates, and participation in the verification process of selected key statements/sections in the prospectus, offering memorandum or other listing/disclosure document;

- In collaboration with the Greek legal advisor and all other professional advisors of the Fund, in accordance with the instructions of the Fund, review, advise on, draft and negotiate, as the case may be, any transaction documentation, as necessary and customary for executing transactions of similar nature to the Transaction, (including, *inter alia*, invitations for expression of interest, process letters, confidentiality agreements, due diligence reports, arrangement letter(s), offering circular, sale memorandum, head of terms documentation, share purchase agreement, shareholders' agreement, underwriting agreement, announcements and filings and any other document(s) required for the Transaction);
- Liaise with the relevant stock exchange and, as applicable, any listing agents and review, process and incorporate any comments of the relevant stock exchange in the prospectus, offering memorandum or other listing/disclosure document in relation to the offering;
- Advise on any compliance issues, including, without limitation, any regulatory or legal issues;
- Prepare lock-up agreements for the management of the Fund, if necessary;
- In collaboration with the Greek legal advisor, draft a memorandum describing the settlement procedures applicable to the capital markets transaction if required by the underwriters;
- Provide a U.S. 10b-5 disclosure letter;
- Provide customary legal opinions (including a U.S. no-registration opinion) for an international transaction of this nature, and comment on all opinions received from legal advisers to the Fund and from other legal advisers to the underwriters;
- Advise on the corporate governance strategy of the Fund and other members of the group in connection with the capital markets transaction and reviewing any corporate

governance documentation of (and, as applicable, the constitutive documents of) the Fund and/or, as the case may be, other members of the group;

- Comment on any press releases issued by, or on behalf of, the Fund with respect to the capital markets transaction;
- Liaise with the Fund's legal advisers, reporting accountants, auditors, tax advisers and other experts as necessary and assist in obtaining any governmental and regulatory consents and approvals necessary for the capital markets transaction;
- Provide legal advice and assistance to the Fund, in cooperation with other professional advisors of the Fund, in relation to any filings, consents and clearances vis- à -vis the competent authorities, as well as the fulfillment and satisfaction of any other conditions precedent necessary for the execution and closing of the Transaction, including any required notifications to the EU and/or other competent authorities. In particular, the Advisor shall liaise with DG Competition to cover any state aid and competition issues that may arise in relation to the Transaction; and
- Provide any other legal assistance and service required by the Fund for the implementation and completion of the Transaction.

## 3. Duration and Budget

**Duration:** The duration of the engagement shall be twenty four (24) calendar months or until the consummation of the Transaction, whichever event occurs first.

**Budget:** The fees for the **Services** shall be based on the hourly rates with reference to the qualification level of the lawyer as per 4.4. In the event that closure of the Transaction is not accomplished within the Duration of the engagement, the Fund maintains the right to continue receiving legal services from the Advisor until closure of the Transaction. In such case, the fees of the Advisor shall be based on the above hourly rates as proposed in the Expression of Interest of the Advisor after applying a discount of 15%.

## 4. Qualifications and Criteria

The Interested Parties should be able to demonstrate their international reputation, expertise and professional experience in relation to privatisation transactions in general and more specifically transactions similar to the assignment tendered. In particular, the Interested Parties should be able to demonstrate:

**4.1.** **Track Record & Experience:** Proof of experience in the provision of legal advisory services for both M&A and capital markets transactions in the Oil & Gas sector, internationally and in Europe (including Greece in particular). The experience must include specialised knowledge and experience in (a) privatisation transactions, including experience in the Greek privatisation programme (b) EU law on competition, state aid and internal market with respect to the Oil & Gas sector, (c) international and EU law on capital markets and Oil & Gas sector. The Dossier should include obligatorily a catalogue of all the relevant projects in which the interested party has participated and the specific capacity it has participated with in the last five (5) years. The Interested Parties should demonstrate that they have the necessary breadth of experience and expertise as well as capabilities of a multidisciplinary team of professionals for undertaking the assignment **(Dossier A')**.

**4.2.** **Project Team:** Proposed team composition for the Transaction and its proposed structure (for both capital markets and M&A transactions), including relevant experience (as per 4.1.) of the engagement leader and the senior members of the team. The team should consist of at least one partner with a minimum experience of fifteen (15) years post qualification, designated as engagement leader, and three or more senior associates with a minimum experience of eight (8) years, post qualification. The Dossier should include the CVs and a list of any relevant project experience (with a focus on Greece), of all the members of the proposed project team. The suggested senior members of the project team may be replaced only upon HRADF's prior consent **(DOSSIER B')**.

**4.3.** **Methodological Approach**: The Interested Parties should submit in their proposal a description of the proposed approach to the assignment with respect to both a capital markets and an M&A transaction and include an indicative work plan outlining key steps in the process as well as key deliverables, including an indicative timetable **(DOSSIER C')**.

**4.4.** **Budget:** The Dossier should include a detailed budget analysis and structure for the fees, including (a) the proposed by the Interested Party budget that should depict the maximum amount of fees and expenses for the Duration of the engagement, should be unconditional and without any reservations and (b) the proposed hourly rates per qualification level, in the following manner: (i) partner, (ii) senior associate (more than 8 years of post-qualification experience) and (iii) associate (up to 8 years of post-qualification experience). For reference purpose and only, the Interested Parties should also indicate the standard hourly rates charged per qualification level as described above. Expenses should be calculated and quoted separately at a capped amount. The type of the expenses and their settlement will have to comply with the approved Expense Policy of HRADF (**DOSSIER D'**).

**4.5.** The Interested Parties and each member of their proposed project team must declare in writing that they do not have a conflict of interest, as well as that they do not have any relationship of economic or of any other nature with the Company and the Group of Paneuropean Oil and Industrial Holdings and that they are not retained by the latter. 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.

**4.6.** The Interested Parties must meet all the qualifications as described above under 4.1 through 4.5. Interested Parties, who fail to submit their Expressions of Interest fully compliant to the qualifications required under 4.1 through 4.5 of this Invitation, shall be disqualified from the Tender.

**4.7.** The Advisor 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

**5.1.** The assignment will be awarded in accordance with the provisions of Law 3986/2011 and article 2.4 of the Procurement Regulation of HRADF (Min. Finance Decision 2/16128/0025/2014, Governmental Gazette B' 476/26.02.2014), as in force.

**5.2.** The 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.

**5.3.** The 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’ | 30% |
| Methodological Approach - DOSSIER C’ | 5% |
| Budget - DOSSIER D’ | |
| (a) Weighted Hourly Rate | 20% |
| (b) Proposed Budget | 20% |

The Weighted Hourly Rate will be calculated as the weighted average of the proposed hourly rates per qualification level, as described under 4.4, multiplied by the corresponding weightings, as provided in the table below;

| Qualification Level | Weighting |
|---|---|
| Partner | 30% |
| Senior Associate | 40% |
| Associate | 30% |

The weightings reflect the anticipated involvement of the various qualification levels of the engaged lawyer. The Weighted Hourly Rate for each Expression of Interest will be calculated by applying the following mathematic formula;

**Weighted Hourly Rate = [(Hourly Rate for Partner x 30%) + (Hourly Rate for Senior Associate x 40%) + (Hourly Rate for Associate x 30%)]**

**5.4.** HRADF may request additional documents and/or clarifications and/or information from the Interested Parties in connection with any issue related to their Expression of Interest, as deemed necessary.

**5.5.** The Expressions of Interest, 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 **<u>only</u>** electronically by e-mail at the e-mail address: info@hraf.gr (for the attention of Mr Yiannis Zapantis), marked "**HELLENIC PETROLEUM S.A.: INVITATION FOR EXPRESSION OF INTEREST FOR INTERNATIONAL LEGAL ADVISOR**".

**5.6.** 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 para. 4.6 (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', the Interested Parties (invited to send the password for DOSSIER D') will be notified about the outcome of the process.

**5.7.** The Expressions of Interest must be submitted electronically **no later than 15 January, 2018, 17:00, Athens time**. Expressions of Interest submitted after the aforementioned deadline shall be deemed inadmissible and thus immediately rejected. In the case of a late receipt, the Expression of Interest shall not be evaluated.

**5.8.** The Fund reserves the right to enter into discussions and negotiations with the Interested Party with the highest score for the improvement of its financial offer, prior to the final award of the assignment.

## 6. Terms and Conditions

**6.1.** The Expressions of Interest to be submitted and this Invitation, as well as the Advisor's engagement letter for the Transaction, are 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.** The Interested Parties accept hereby the approved expenses policy of the Fund on the reimbursement of the expenses of its Advisors.

**6.3.** The Fund 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 Invitation. No person acquires against the HRADF and its officers, agents, employees and officers, or the HCAP any right or claim for compensation, or indemnification, or other, for any reason or cause related to this Invitation and/or the Expression of Interest 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 Invitation and the Tender Process in general.

**6.4.** The Fund reserves the right to amend the engagement with the Advisor in order to include complementary services that shall be deemed required and cannot be identified today, but shall prove to be of real importance for the engagement and their separation from the engagement would cause a significant problem or delay for the Transaction, or services that shall be deemed absolutely necessary for the completion of the Transaction.

**6.5.** The Fund 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.

**6.6.** Any dispute arising under, or out of, or in connection with the present Invitation including the Expressions of Interest submitted and the Advisor's engagement letter for the Transaction, shall be subject to the exclusive jurisdiction of the Courts of Athens, Greece.