



HELLENIC REPUBLIC ASSET
DEVELOPMENT FUND

**INVITATION FOR EXPRESSION OF INTEREST TO ACT AS LEGAL ADVISOR ON GREEK
AND EU LAW TO THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND FOR THE SALE
OF ITS 5% STAKE IN OTE**

Athens, 4 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 Law 3678/2008 on the ratification of (a) the Sale Purchase Agreement and (b) the Shareholders’ Agreement regarding the “Hellenic Telecommunications Organization S.A.” (“**OTE**”), both dated as of 14.05.2008, between the Hellenic Republic and Deutsche Telekom AG,
- v. Article 25 of the Law 4429/2016 by virtue of which the first amendment, dated 10.10.2016, to the Shareholders’ Agreement between the Hellenic Republic and Deutsche Telekom AG was ratified,
- vi. the provisions of decision No. 259/25.10.2016 of the Inter-Ministerial Committee of Asset Restructuring and Privatisations (hereinafter “**ICARP**”) (Government Gazette 3448/B’/25.10.2016) on the approval of the second amendment, executed as of

2.11.2016, to the Shareholders' Agreement between the Hellenic Republic and Deutsche Telekom AG,

- vii. the provisions of the Decision No. 260/18.11.2016 of the ICARP (Government Gazette 3723/B'/18.11.2016), by virtue of which the Hellenic Republic transferred to HRADF 24,507,520 shares of OTE, corresponding to 5% of OTE's share capital, within the framework of the further privatisation process of OTE.
- viii. 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 HRADF foresees the sale of 24,507,520 shares of OTE, corresponding to 5% of OTE's share capital (the "**Transaction**").

1.2. Within the framework of the further privatisation process of OTE, the Fund is seeking to engage a reputable legal advisor on Greek and European Union law with transactional and regulatory experience and expertise in both M&A and capital markets transactions, including experience in the Technology, Media and Telecommunications ("**TMT**") sector, and in particular experience in transactions where the transfer of shares is governed by a shareholders' agreement (the "**Advisor**"). The Advisor is expected to offer highly experienced legal services covering the entire spectrum of Greek law issues (including, as applicable, EU law) that are related to the Transaction, irrespectively of the proposed structure of the Transaction to be adopted (the "**Services**"), and to coordinate with any other professional advisor of the Fund.

2. Scope of Work

The Services will be provided in two phases, a *Preparatory Phase* and an *Implementation Phase*. Within the context of the Services, the Advisor is expected to provide *inter alia* the following:

2.1. During the Preparatory Phase:

- i. Review the applicable Greek and EU legal and regulatory framework of the Transaction and the Shareholders' Agreement in place, identify, assess and advise on the potential

legal and regulatory matters that may affect the Transaction, irrespective of its proposed structure;

- ii. Review and assess the structuring alternatives for the Transaction in coordination with the financial and/or other professional advisors of the Fund;
- iii. Prepare a legal report focusing on issues and findings which may have an impact on the execution of the Transaction, as well as any issues that affect the Transaction related documents for any of the proposed structuring alternatives for the Transaction;
- iv. Review and advise from a legal perspective, as regards Greek and EU law, on any recommendations, opinions, presentations or other Transaction materials, prepared and provided by other professional advisors of the Fund;
- v. Advise the Fund on communications and process sessions/meetings of the Fund with potential investors and/or their professional advisors and review, assess, and advise on their proposals;
- vi. 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 competition, state aid and/or other legal issues identified and advise on their resolution;
- vii. In conjunction with the Fund's other professional advisors, prepare and deliver to the Fund a report in respect to the recommended transaction (the "**Recommendation**") that will include a review and assessment of key legal and regulatory aspects of the alternative options for the implementation of the Transaction and the Advisor's advice with regard to the optimal option to be considered by HRADF;
- viii. Provide legal opinions, as regards the Greek and EU legal and regulatory framework, on material aspects of the Transaction in terms of its structure, process, and execution, as deemed necessary by the Fund.

2.2. During the Implementation Phase:

In co-ordination with other professional advisors of HRADF, the Advisor shall assist and advise HRADF on all legal and regulatory matters, as regards Greek and EU law, relevant to the execution and closing of the Transaction, which may include, *inter alia*, the following:

- i. In co-ordination with the Fund's other professional advisors, advise and assist on developing and organising all procedures required for the execution of the Transaction with observance to the Shareholders' Agreement;
- ii. Advise on and draft, in co-operation with other professional advisors of the Fund, all transaction documentation, as necessary and customary for soliciting investor interest and executing transactions of similar nature to the Transaction either through an M&A process (including, *inter alia*, invitation for expression of interest, process letters, confidentiality agreements, due diligence reports, sale or information memorandum, announcements and filings, head of terms documentation, share purchase agreement) or through the capital markets (including, *inter alia*, offering circular/prospectus, share purchase, brokerage, placement, subscription, settlement and/or any other relevant agreements, counsel opinion on seller representations and warranties in respect of the applicable Greek and EU law provisions and regulations, announcements and filings);
- iii. Advise and assist the Fund on its communications, process sessions and negotiations with potential investors and their professional advisors;
- iv. Review, in conjunction with other professional advisors of the Fund, the proposals received from potential investors;
- v. Provide to the Board of Directors of the Fund any required legal opinion in support of the proposed course of action throughout the process, up to the closing of the Transaction;
- vi. 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 terms and conditions necessary for the execution and closing of the Transaction, including settlement process and mechanics, and/or any other required notification to competent authorities; and
- vii. Provide any other legal assistance and service required for the implementation and completion of the Transaction.

3. Duration and Budget

3.1. Duration: The Duration of the engagement shall be twelve (12) calendar months or until the consummation of the Transaction, whichever event occurs first. HRADF

reserves the right to extend the duration of the engagement, if such extension is deemed necessary for the consummation of the Transaction.

3.2. Budget: For the **Services**, the maximum available budget for fees, including expenses, is EUR 120,000 excluding VAT.

4. Qualifications and Criteria

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

4.1. Track Record & Experience: Proof of relevant track record and experience in the provision of regulatory and transactions expert legal services in relation to cross-border M&A and capital markets transactions, including privatisations and transactions in the TMT sector, and specialised knowledge, experience and expertise in transactions where the transfer of shares is governed by a shareholders' agreement. The dossier of the Expression of Interest should include a catalogue of all relevant projects in which the interested party has participated in the last five (5) years. The Interested Parties should demonstrate that they have the necessary breadth of experience and expertise as well as the capabilities in terms of a multidisciplinary team of professionals for rendering the Services (**DOSSIER A'**).

4.2. Project Team: Proposed team composition and its proposed structure, including relevant experience as per 4.1. The proposed team should consist of at least one senior partner with a minimum experience of fifteen (15) years post qualification, designated as the engagement leader, and two or more senior associates with a minimum experience of eight (8) years post qualification. Expressions of Interest should include CVs of all members of the engagement team. Moreover, a list of all relevant projects proving the experience of the individual members of the team should be submitted and included in the Expression of Interest. The suggested engagement leader and senior members of the project team shall remain the same and may be replaced only upon HRADF's prior consent (**DOSSIER B'**).

4.3. Methodological Approach: Interested parties should submit in their proposal a brief description of the proposed approach to the assignment (with respect to both

capital markets and M&A transactions) and include an indicative work plan outlining key steps in the process. (**DOSSIER C'**).

4.4. Budget: The Dossier should include a detailed budget analysis and structure for the fees, including (a) the proposed 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 must 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 OTE or the Group of Deutsche Telecom and that they are not retained by any of the latter or any of its affiliates. 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 the Law 3986/2011 and article 2.3 of the Procurement Regulation of HRADF, 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'	35%
Project Team - DOSSIER B'	40%
Methodological Approach - DOSSIER C'	5%
Budget - DOSSIER D'	
(a) Weighted Hourly Rate	10%
(b) Proposed Maximum Budget	10%

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	45%
Senior Associate	35%
Associate	20%

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 45%) + (Hourly Rate for Senior Associate x 35%) + (Hourly Rate for Associate x 20%)]

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 only electronically by e-mail at the e-mail address: (for the attention of Mr. Yiannis Zapantis), marked "**OTE S.A.: INVITATION FOR EXPRESSION OF INTEREST FOR LEGAL ADVISOR ON GREEK AND EU LAW**".

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 DOSSIERS 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 are submitted electronically **no later than 20 December 2017, 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. HRADF reserves the right to enter into discussions and negotiations with the Interested Party with the highest score in the evaluation 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 HRADF on the reimbursement of expenses to 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 Invitation. No person acquires against HRADF and its officers, agents, employees and officers, or the Hellenic Corporation of Assets and Participations (HCAP) or the advisors, 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. 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.

6.6. 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.