



Tender Documents

REQUEST FOR PRICE PROPOSAL

Name of the Commercial Public Tender (hereinafter referred to as "Tender"):

"Finance advisor for M&A Germany"

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A. INSTRUCTIONS FOR BIDDERS

A.1 GENERAL INSTRUCTIONS

A.1.1 Identification of the Tender promulgator:

Name of the organization: NAFTA a.s.
COMPANY ID No.: 36 286 192
VAT ID No.: SK2022146599
Company registered office: Votrubova 1, 821 09 Bratislava
Registered in: Commercial Register of the District Court Bratislava I,
Section Sa, File No. 4837/B
Country: the Slovak Republic

Contact person: Mr. Jarábek Martin, Mr. Szilárd Kása,
Telephone: +421 2 4024 2607; +421 2 4024 2530
Fax: +421 2 4024 2516
E-mail: finance_advisor_de@nafta.sk
Web sites: www.nafta.sk

A.1.2 Subject of the Tender:

The subject of the Tender is selection of financial advisor to perform Due Diligence and support NAFTA a.s. in an international tender for the acquisition of a 100% interest in a Company owning several underground gas storage facilities in Germany.

For more details see in Annex No. 1.

A.1.3 Evaluation of proposals:

Only proposals from bidders submitted in the manner and by the date pursuant to the tender call shall be evaluated.

The promulgator reserves the right to restrict the number of bidders after proposals are submitted and to invite the bidders determined in this way to individual negotiations about the terms and conditions.

The promulgator reserves the right to negotiate the proposal with the bidder in several consecutive rounds with the possibility to invite bidders to submit the updated quotation after each round of negotiations.

In case of several rounds of negotiations, the promulgator shall notify bidders in advance that the quotation they are going to submit shall be the final quotation.

A.1.4 Explanation and communication:

Any communication and provision of information among the promulgator and bidders shall be carried out in writing or electronically. Address for written communication is:

Nafta a.s.
Votrubova 1
821 09 Bratislava
Slovak republic

And e-mail address is finance_advisor_de@nafta.sk

A.1.5 Content of the proposal:

The submitted proposal shall contain the documents in the following order:

1. References proving provision of services as finance advisors in M&A within the Gas sector
2. Track record of proposed team members participating at the financial services provision

A.1.6 Execution of the proposal:

The proposal shall be signed by the statutory body of the bidder in compliance with the extract from the Commercial Register or the person authorized for such acting. The original of the document proving authorization of the person to sign the proposal shall be a part of the proposal in such case.

A.2 SUBMISSION OF PROPOSAL

A.2.1 Designation of covers with proposals:

Bidders submit proposal in electronic form (in .pdf format) on the email address of the promulgator: finance_advisor_de@nafta.sk

Date of the proposal submission:

By 6th October, 2016 till 4:00 p.m.

The proposal delivered after this hour shall not be considered.

A.2.2 Date of announcement of the selected proposal:

By 31th of December, 2016 at the latest.

B. PRICE PROPOSAL, INVOICING

B.1 PRICE PROPOSAL

1. The prices provided by the bidder shall be in EUR,
2. The bidder shall propose the price for the subject of the Tender in the following composition:
 - Estimation of maximal costs charged for financial due diligence
 - Estimation of maximal costs charged for tax due diligence
 - Hourly rates based on seniority and/or blended hourly rates

Price shall be stated in Annex No. 2

3. The bidder shall include all and any costs incurred in regard to the delivery of the subject of the Tender in the price.
4. The price mentioned in the proposal shall cover all costs related to the subject of the Tender – Annex No. 2 shall contain the total price for the subject of the Tender, i.e. the summary of all items including all other costs of the bidder.
5. The committee for the proposal evaluation may ask the bidder for clarification and justification of appropriateness of the proposed price.

B.2 INVOICING

The promulgator shall not provide advance payments.

The invoice maturity is within 60 days from the date of the invoice delivery to the registered office of the promulgator.

C. SUPPLEMENTARY CONDITIONS AND PROVISIONS

1. The tender documents shall be provided by the promulgator free of charge.
2. The promulgator shall reserve the right to change the Tender conditions or to cancel the Tender anytime. It shall inform the bidders on these facts.
3. The bidder shall not be entitled to compensation of costs related to the participation in the Tender.
4. Within the proposal evaluation the promulgator shall reserve the right to ask the bidders for explanation of the proposal or to verify some data and facts mentioned in the proposal.
5. No contractual relationship shall arise by the Tender closing and announcement of the Tender result.
6. The proposals shall not be returned to the bidders but they remain archived by the promulgator as a part of the tender documentation.
7. All documents and deeds submitted by the bidder to the promulgator shall be signed by the bidder, statutory body of the bidder or a member of the statutory body of the bidder or his/her representative who shall be authorized to act on behalf of the bidder in contractual relations. Authorization of this person shall be in compliance with the submitted documents on authorization to run business or a proxy.
8. The promulgator shall be entitled to select a proposal which is the most suitable while it shall not be obliged to inform on reasons of its decision. It shall also be entitled to refuse all submitted proposals.
9. The tender documents shall be subject to the trade secret without any time restriction.

D. LIST OF ANNEXES

Annex No. 1

Assumed scope of finance support requested

Annex No. 2

Cover letter for bidders

Annex No. 1)

Assumed scope of finance advisory services

Description of NAFTA a.s.

NAFTA a.s., as a leading Slovak company in the area of hydrocarbons E&P and natural gas storage participates in an international tender for the acquisition of a 100% interest in a Company owning several underground gas storage facilities in Germany (Target).

In connection with the above mentioned NAFTA a.s. will require finance services mainly in the due diligence process.

Due diligence scope

The due diligence shall be organized as a virtual data room (VDR). As the Seller has retained a financial adviser – an investment bank we expect the due diligence in standardized scope and process. Apart from the virtual data room also an opportunity to meet the Target's management team, conduct a Q&A process as well as receive access to technical workstation shall be given to prospects.

We expect the finance advisor to conduct a full scope financial and tax due diligence and provide us with red flag and full due diligence report as a result of the due diligence. Due diligence should be based on accounting data for 2014, 2015 and H1 2016. On top of the standard scope, since the current structure of the target companies includes various intracompany relations, the analysis of the intracompany accounts will be also required.

Key information about the Target:

- a. EBITDA of 20-30 MEUR
- b. Appr. Value of the 100% stake of 50-200 MEUR
- c. NBV of Fixed assets: 20-50 MEUR, no external financing
- d. Storage volume 1-2 bcm
- e. Location: three storage sites in Germany

We understand that reasonable materiality threshold will be agreed beforehand with the finance advisor.

Timeschedule

Time schedule of the finance advisory services provision will be in advance agreed with the finance advisor according to the course of the international tender and information provided by the Seller. According to information from the Seller the DD should be completed in 2016.

Annex No. 2)

COVER LETTER FOR BIDDER

Title: **Fiance advisor for M&A Germany**

Bidder:	
Address:	
COMPANY ID No.:	
Tax ID No.:	
Authorized representative of the bidder:	
Tel.:	
Fax.:	

Item No.:	Description of the Service:	price in EUR excl. VAT:	VAT rate and VAT amount,	price VAT incl.
1.	Estimation of maximal costs charged for the financial due diligence			
2.	Estimation of maximal costs charged for the tax due diligence			
3.	Hourly rates based on seniority			
4.	Hourly rates based on blended hourly rates			

We concurrently hereby confirm that the data provided in the remaining annexes to the proposal shall serve as binding documents for evaluation of our proposal.

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Seal, name and signature of the bidder's representative