

## **Regulation regarding the process of selecting investors to continue the project „Units 3 & 4 of Cernavoda NPP”**

Date: [a]

This document is intended to provide information and specific instructions regarding the concrete manner of conducting the competitive process for the qualification and selection of investors (the "**Process**") in the Project Company which will develop the project "Units 3 and 4 of the Cernavoda NPP" (the "**Project**").

This Regulation regarding the conducting of the Process (the "**Procedure**"), together with the documentation on the Process published on the website [www.nuclearelectrica.ro](http://www.nuclearelectrica.ro), should not be considered a recommendation to invest in the project made by S.N. Nuclearelectrica S.A., Energonuclear S.A., the Negotiation Commission or the Romanian authorities.

### **1 Introduction**

#### **1.1 General aspects**

SNN reserves the right to change the structure and stages of the Process, as well as to cancel or suspend it, at any time during its course. In this case, all investors who undertook actions regarding the Process and are still participating in the Process at the time of the decision to change the schedule will be notified in writing to the relevant correspondence address. Also, SNN reserves the right to modify the contents of this regulation at any time during the Process, and should it be the case, will notify at that time the investors participating in the Process regarding the change.

No information provided regarding the Project should be considered as any form of commitment or offer as per Romanian law from Societatea Nationala Nuclearelectrica S.A. ("**SNN**"), Energonuclear S.A. ("**Energonuclear**"), Ministry of Economy, Department of Energy, their consultants or any of their affiliates (collectively, the "**ProjectTeam**") to continue the process of qualification and selection of investors. SNN reserves the right to modify the proposed schedule and / or the procedure of qualification and selection of investors, to terminate the procedure and to cease all discussions and negotiations with any of the investors, at any time, with a prior notice and without providing justification. Moreover, SNN is

under no obligation to accept any of the letters or documents submitted in the Process.

None of the Process Team members undertakes any obligation to invite the recipient of this document to conduct further analysis on the Project or to provide to the recipient information of any kind.

By signing and submitting the Letter of Expression of Interest, a Potential Investor becomes an Interested Investor and adheres to the conditions set out in this Procedure and to the other documents attached to the Letter of Expression of Interest.

All costs incurred as a result of the participation in the Process or as a result of conducting any analysis of the Project undertaken by Potential Investors, are not to be borne by the members of the Project Team and will be borne by the investors. They will bear alone all costs arising from their potential participation in the Process.

The members of the Process Team (as well as their representatives, directors, shareholders, affiliates, employees, contractors or consultants) will have no obligation or liability for costs or expenses incurred by Potential Investors in connection with the Process and the Project, as well as for any direct or indirect losses or damages suffered by any person as a result of the grounding of any decision on any information or omission in this document, or any other information or communication related to the Process and the Project

The Process, this Procedure, as well as all of the Process related documents are governed by the Romanian law.

## 1.2 Definitions

The words written in upper case in this document shall have the meanings below:

**International Notice** - international notice of intent triggering the process of qualification and selection of investors in the Project;

**Articles of Incorporation** – The Articles of Incorporation of the Project Company;

**Investors Agreement** – contractual document that contains all the terms and conditions governing the relationship between SNN, the Selected Investor and other shareholders of the Project Company (if applicable);

**Confidentiality Undertaking** - document that is a part of the Qualification Documentation and relates to the preservation of the confidential nature of the information and documents provided by SNN, and which also extends to the confidentiality of the information in the Data Room, in case an Interested Investor becomes a Qualified Investor and receives access thereto. The undertaking applies to the entire Process, from the submission of the Letter of Expression of Interest by the Interested Investors and up to the signing of the Articles of Incorporation and the Investors Agreement, and, in the case of a Qualified Investor that has not been

declared a Selected Investor, the undertaking applies to the entire process from the submission of the Letter of Expression of Interest by the Interested Investors and up to the expiration of a five year period from the notification on not being chosen as the Selected Investor;

**Tender Dossier** – a set of documents addressed to Qualified Investors which contains instructions for drafting the Documentation of Intent and which is composed of the following:

- (i) Project Implementation Memorandum, which includes (among others):
  - general requirements for the Project;
  - overview of SNN’s contribution;
  - overview of the potential contribution of other stakeholders (e.g. the Romanian State);
  - the manner in which the contribution to the capital of the Project Company is to be made;
- (ii) The Procedure (possibly updated following the qualification process), which includes (among others):
  - the manner and the term for replying to the questions of the Qualified Investors and of the Selected Investor;
  - regulation regarding the conducting of the procedure to choose the Selected Investor (selection of tenderers, as per the IPP Procedure);
- (iii) Instructions on the process for evaluating Qualified Investors, which include (among others):
  - Instructions on the drafting of the Letter of Intent, containing the criteria to select the Documentation of Intent submitted by Qualified Investors (selection of the offer, within the meaning of the IPP Procedure) as well as the criteria to determine the Selected Investor;
  - the scoring grid or evaluation criteria/principles according to which the Documentations of Intent submitted by Qualified Investors will be evaluated (the offers, within the meaning of the IPP Procedure).

**Indicative Timetable** – Indicative dates for the phases of the Process, mentioned in Annex 1.

**Data Room** – The electronic data base made available to Qualified Investors for carrying out a limited due diligence in order to draft the Letters of Intent and to provide comments on the Project Implementation Memorandum. Subsequently, after the establishment of the Selected Investor, the Data Room will be reopened for the access of the Selected Investor, containing additional information for a

detailed due diligence, to be carried out during the negotiations on the Memorandum of Understanding;

**Negotiation Commission** – Commission established by order of the Delegated Minister for Energy consisting of SNN representatives, representatives of the Department of Energy, Ministry of Economy and Ministry of Regional Development and Public Administration for carrying out the entire Process of qualification, evaluation and selection, which is also empowered to negotiate the terms of association with the Selected Investor;

**Consultants** – the financial consultant and the legal consultant of SNN for the Project;

**EPC Contract** –Engineering, Procurement and Construction agreement necessary for the implementation of the Project;

**Qualification Documentation** – set of documents made available to Potential Investors to be downloaded from the SNN web-site, which includes models to be filled in according to the Instructions on the process of qualification and selection of investors for the Project. The Qualification Documentation, filled in as per the instructions, must be submitted in view of qualification by the date specified in this Procedure;

**Documentation of Intent** – set of documents submitted by each Qualified Investor (the offer, within the meaning of the IPP Procedure) in order to be evaluated by the Negotiation Commission and to nominate the Selected Investor. The Documentation of Intent must be submitted by the date indicated in this Procedure. The Documentation of Intent submitted by each Qualified Investor is used by the Negotiation Commission in order to establish the Selected Investor;

**EUR or Euro** – the single currency of the European Economic and Monetary Union;

**Participation Guarantee** – bank letter of guarantee issued in favor of SNN for Euro 100,000, which will be submitted by the Qualified Investors;

**Extended Participation Guarantee** – bank letter of guarantee issued in favor of SNN for Euro 500,000, which will be submitted by the Selected Investor;

**Instructions regarding the Access to the Data Room** – set of rules governing the access of the Qualified Investors to the Data Room and its usage;

**Qualified Investor** – an Interested Investor who has submitted the Qualification Documentation filled-in according to SNN's instructions and which thereby demonstrated compliance with all the qualification criteria, this being reflected in the notice sent by SNN, after the analysis of that particular Qualification Documentation by the Negotiation Commission;

**Interested Investor** – a Potential Investor who submitted the signed Letter of Expression of Interest, together with the filled-in Qualification Documentation;

**Potential Investor** – an entity that downloads from the site [www.nuclearelectrica.ro](http://www.nuclearelectrica.ro) the current Procedure and the Qualification Documentation template, in order to perform an analysis thereof and to submit a Letter of Expression of Interest to participate in the Process;

**Selected Investor** – a Qualified Investor who submits a Letter of Intent, together with the comments to the Project Implementation Memorandum and which, following evaluation, is declared the winner and will be notified in this regard by SNN in order to start negotiations for the signing of a Memorandum of Understanding regarding the joint implementation of the Project;

**IPP** – Independent power producer;

**Memorandum of Understanding** – a document negotiated by the Negotiation Commission and the Selected Investor and signed by SNN and the Selected Investor, as parties, under which they agree on the principles of their collaboration for the joint implementation of the Project;

**Project Implementation Memorandum** – a document, part of the Tender Dossier, which contains relevant information about the Project and the Process, including a description and historical background of the Project and the intention of the Romanian authorities to decrease the risk perception of investors and increase the attractiveness of the Project;

**Romanian party** – SNN and the mandated public institutions and / or authorities;

**Procedure** – the present Regulation regarding the process of selecting investors to continue the project Units 3 & 4 of Cernavoda NPP;

**Project** - Units 3 and 4 of the Nuclear Power Plant (NPP) Cernavoda;

**IPP Procedure** – *The procedure for the implementation of "Green / Brown Field" Projects by creating an IPP company, with in kind contribution from companies, national companies / entities and autonomous administrative companies from the MECMA portfolio and cash contribution from a potential investor, approved by Order no. 1646 / 28.08.2012 issued by the Minister of Economy, Trade and Business Environment, modified and amended by Order no. 2518 / 19.11.2012 of the Minister of Economy, Trade and Business Environment, respectively by Order no. 1105 / 16.05.2013 of the Delegated Minister for Energy;*

**Process** – competitive, transparent and non-discriminatory process by which Interested Investors are qualified and selected in order to start negotiations for the joint establishment of the Project Company that is to develop, finance and build the Project;

**Letter of Expression of Interest** – document by which a Potential Investor expresses interest to take part in the qualification procedure within the Process, which requires, among others, the acceptance of the provisions of the Procedure;

**Joint Letter on the Intention to Complete the Project** – the document that marks the end of the stage of nominating the Selected Investor and the start of the negotiations regarding the Memorandum of Understanding, and which indicates the common intention of the Selected Investor and the Romanian party to carry on with the implementation of the Project;

**SNN** – Societatea Nationala Nuclearelectrica S.A., the Romanian company that owns and operates the Nuclear Power Plant in Cernavoda, the owner or holder of the assets, permits and the documentation related to the current status of building the Units 3 and 4 of the Cernavoda NPP, both directly and through Energonuclear.

**Energonuclear** – Energonuclear S.A., wholly owned subsidiary of SNN;

**Project Company** – a "Green / Brown Field" type of project company which will be established in view of the completion of the Project and which will have as initial shareholders SNN and the Selected Investor, following the signing of the Investors Agreement and of the Articles of Incorporation;

**Request for Access to the Data Room** – request made by the Qualified Investor to obtain access to the Data Room, including adherence to the Instructions regarding the Access to the Data Room;

**Strategy for the continuation of the Project Units 3 and 4 Cernavoda NPP** – strategy regarding the Project, approved by the Romanian Government by means of a Memorandum on 31 July 2014 and by the Extraordinary General Meeting of Shareholders of SNN of 22 August 2014.

## 2 **Structure of the Process**

The structure of the process of qualification and selection of investors for the Project is as follows (the indicative timetable can be found in Annex 1):

- Publication of the International Notice and Qualification Documentation;
- Submission of filled-in Qualification Documentation by the Interested Investors;
- Qualification of the Interested Investors and communication regarding their qualification, together with the communication of the Instructions regarding the Access to the Data Room (including the model of the Request for Access to the Data Room);
- Distribution of the Tender Dossier to the Qualified Investors who have paid the consideration for the Tender Dossier, have presented the Participation Guarantee and the Confidentiality Undertaking, all signed;
- Conducting due diligence by the Qualified Investors based on access to the Data Room;
- Submission by the Qualified Investors of the Documentation of Intent;

- Clarification and evaluation of the Documentations of Intent and establishment of the Selected Investor;
- Drafting and signing by the Selected Investor and the Romanian party of the Joint Letter on the Intention to Complete the Project;
- Negotiation of the Memorandum of Understanding between SNN and the Selected Investor regarding the joint implementation of the Project;
- Signing of the Memorandum of Understanding and starting of activities such as the negotiation of the Articles of Incorporation and Investors Agreement, and the carrying out of joint actions to clarify with the Romanian authorities and European institutions the manner in which the Project will be implemented.

The phases of the Process (up to the stage of establishing the Selected Investor) are described below. The indicative schedule of implementation of these steps is presented in Annex 1 - Indicative Timetable.

## **2.1 Phase 1: Publication of the Qualification Documentation**

### **2.1.1 Publication of the International Notice in an international publication and in a national publication:**

- (i) Publication of the International Notice signifies the start of the process of attracting and selecting investors for the Project.
- (ii) The International Notice may be withdrawn at any time after its publication, without prior notice.
- (iii) The information included in the International Notice is indicative.
- (iv) The International Notice contains references on how to obtain the forms that compose the Qualification Documentation - web-site address where the necessary documents can be downloaded from.

### **2.1.2 Publication on the SNN web-site of the Qualification Documentation template**

- (i) Potential Investors will be able to access the Qualification Documentation on the web-site [www.nuclearelectrica.ro](http://www.nuclearelectrica.ro) in MS Word (doc) and pdf format, starting with the date when the International Notice is published.
- (ii) The Qualification Documentation includes:
  - (a) A brief presentation of the Project, containing public information about the Project;
  - (b) The current Procedure;
  - (c) The template for the Letter of Expression of Interest;

- (d) The template of the Confidentiality Undertaking regarding the participation of Interested Investors to the Process (also covering the confidentiality of the information from the Data Room, if the Interested Investor becomes a Qualified Investor and is granted access to it);
  - (e) The template of the Participation Guarantee;
  - (f) Instructions on the investors qualification process for the Project;
- (iii) The use of the templates described above for the expression of interest in participating to the Process is mandatory.
  - (iv) The submission of the Qualification Documentation will take place in physical form, in original, up to 16:00 (Bucharest time) on the date specified in Annex 1 of the present document, at the following address: SNN, 65 Polonă street, District 1, Bucharest (To the attention of the Negotiation Commission). The envelopes will contain hard copy documents (paper), as well as CDs / DVDs of the electronic version of all documents (scanned in pdf format).

## **2.2 Phase 2: Qualification of the Interested Investors, establishing the list of the Qualified Investors and the distribution of the Tender Dossier to the Qualified Investors**

### **2.2.1 Submission of the Letter of Expression of Interest and the filled-in Qualification Documentation by Interested Investors**

- (i) The presentation by each of the Interested Investors of a Letter of Expression of Interest fully complying with the template provided during Phase 1 is compulsory.
- (ii) All elements of the Letter of Expression of Interest must be treated with diligence and should include relevant information.
- (iii) The Qualification Documentation must be complete as regards the number of documents submitted and the list of the qualification documents.
- (iv) Filling-in the Qualification Documentation must comply to the purpose and the requirements formulated in the instructions, made available to Interested Investors in Phase 1.

### **2.2.2 Analysis of the Qualification Documentation**

- (i) Letters of Expression of Interest that do not comply with the template indicated in Phase 1 will not be taken into consideration in the selection process of the Qualified Investors.



- (ii) The absence of one or more documents from the Qualification Documentation, as well as the alteration of the type of information required by the instructions may entail the disqualification of the Interested Investor. Failure to strictly comply with instructions for filling-in the Qualification Documentation may result in the rejection of the Qualification Documentation and the failure of the Interested Investor to pass to the next phase.
- (iii) The Negotiation Commission reserves the right to request clarifications regarding the Qualification Documentation submitted by an Interested Investor, and will decide on a discretionary basis regarding this aspect.
- (iv) Establishment of the list of Qualified Investors and their notification by SNN. The notification will be accompanied by the Instructions regarding Access to the Data Room, including the template Request for Access to the Data Room.
- (v) Subsequent to the notification of the Qualified Investors, they will pay the consideration for the Tender Dossier in the amount of EUR 10,000 (ten thousand Euros), in the account IBAN RO45 RNCB 0072 0497 1852 0010 opened on behalf of SNN at the Comerciala Romana S.A., District 1 Branch, SWIFT Code: RNCBROBU, BIC code: RNCB;
- (vi) Interested Investors who will not qualify will be officially notified by email and in writing - in original, at the address indicated in the Letter of Expression of Interest;
- (vii) SNN estimates that the date of the investor qualification and notification of the results of the qualification procedure is the one described in Annex 1 - Indicative Timetable for the Process.

### **2.2.3 Distribution of the Tender Dossier to the Qualified Investors**

- (i) The Tender Dossier is distributed only to the Qualified Investors (through their authorized representative) in physical and electronic form, after submission at SNN's headquarters of the following documents, cumulatively: (a) the original Participation Guarantee; (b) the Request for Access to the Data Room; and (c) the evidence of payment of the consideration for the Tender Dossier.
- (ii) The Tender Dossier includes the following:
  - (a) Instructions on the process of selecting investors for the Project Units 3 and 4 of the Nuclear Power Plant Cernavoda - Instructions on drafting the Letter of Intent.

- (b) Project Implementation Memorandum (presentation file, as per the IPP Procedure).
- (c) Template of the Extended Participation Guarantee.

**2.2.4** Submission of the Participation Guarantee by the Qualified Investors who interested to access the Data Room

- (i) The principles for the enforcement of the Participation Guarantee are described below.
- (ii) The access of the Qualified Investors in this phase of the Process, including the access to the Data Room is conditional upon the issuance of the Participation Guarantee of EUR 100,000, in the form indicated in the Qualification Documentation. The Participation Guarantee will be opened at a credit institution from Romania or outside Romania, and will be confirmed via banking channels by a bank where SNN has accounts opened.
- (iii) The Participation Guarantee will be submitted in original at the following address: SNN, 65 Polona Street, District 1, Bucharest (in attention of the Negotiation Commission) within two working days of the date on which the Interested Investor has been informed by SNN regarding its quality of Qualified Investor and its access to the selection phase.
- (iv) The Participation Guarantee will be issued according to the publication no. 758 of ICC Paris and will be unconditional and irrevocable, enforceable at the first demand of SNN;
- (v) If the amount of the Participation Guarantee is less than EUR 100,000 or its terms do not meet these instructions, that Qualified Investor will not obtain access to the Data Room and the Negotiation Commission may terminate its participation to the Process, with the return of the non-compliant letter of guarantee.
- (vi) The Participation Guarantee may be enforced for breaches of the Confidentiality Undertaking and/or the Instructions on Access to the Data Room.

**2.2.5** Qualified Investors shall submit within 10 calendar days of the time of the notification regarding qualification, legalised translations in Romanian language of the Qualification Documentation submitted.

**2.3** Phase 3: Due diligence carried out by the Qualified Investors

**2.3.1** Access to Data Room for the Qualified Investors

- (i) SNN will provide to the Qualified Investors a virtual Data Room which will include information on the Project.

- (ii) The documentation included in the Data Room will be adapted to the period of analysis offered to the Qualified Investors. Subsequently, the Selected Investor will receive access to a Data Room containing information enabling a more detailed analysis of the Project.
- (iii) It is possible that certain information from the Data Room be made available to Qualified Investors only after signing a hold harmless letter.
- (iv) The rules for using the Data Room are those described in the Instructions regarding the Access to the Data Room.
- (v) During the functioning of the Data Room, its users (including representatives of Qualified Investors, the Selected Investor and their consultants) will be able to address questions regarding the documents contained in the Data Room.
- (vi) SNN and its consultants can monitor the access to the documents and the compliance with the rules of confidentiality as defined in Phase 1.
- (vii) SNN will make every effort to respond to the questions on the Process and the content of the Data Room within a reasonable period, which takes into account the indicative timetable for the implementation of the Process. The answer to a question from a Qualified Investor will be sent to all Qualified Investors without indicating who formulated the question.

### **2.3.2 Presentation of the Project, delivered by SNN management**

- (i) The SNN management will deliver, upon written request of at least one Qualified Investor, a presentation of the Project. The presentation will be delivered by members of the management team involved in the Project;
- (ii) The presentation will be attended by representatives and consultants of the Qualified Investors; however, a limit will be set for the number of participants;
- (iii) During the presentation, Qualified Investors and their advisors may ask questions on aspects included in the presentation. SNN will make every effort to answer questions in the shortest period possible;
- (iv) At the end of the presentation, a session for clarifications regarding the Tender Dossier can be conducted, upon a prior written request made by the Qualified Investors;
- (v) The presentation will be delivered by SNN management during the period when the due diligence by the Qualified Investors takes place, according to Annex 1.

## **2.4 Phase 4: Evaluation and establishing of the Selected Investor**

### **2.4.1 Submitting the Documentation of Intent**

- (i) After analysing the information provided in the Data Room and other documents provided by SNN, each Qualified Investor will decide whether to submit the Documentation of Intent;
- (ii) The Documentation of Intent includes:
  - (a) Letter of Intent; and
  - (b) A document with the proposed amendments to the Project Implementation Memorandum (“mark-up” - with track changes in MS Word version of this document).
- (iii) The Documentation of Intent submitted by the Qualified Investors will be prepared in compliance with the instructions for its filling-in, which will be part of the Tender Dossier distributed to the Qualified Investors;
- (iv) The Negotiation Commission will open the envelopes containing the Documentation of Intent of the Qualified Investors in the presence of their representatives, in case the Qualified Investors ensure the presence of a representative at the date and hour indicated for the opening of the envelopes;
- (v) The submission of the Documentation of Intent will be made in physical form, in original, up to 16:00 (Bucharest time) on the date specified in Annex 1, to the following address: SNN, 65 Polona Street, District 1, Bucharest (in the attention of the Negotiation Commission);
- (vi) The opening of the envelopes containing the Documentation of Intent will take place the second day after the submission deadline, according to the estimative schedule from Appendix 1, at an hour which will be communicated in writing to the Qualified Investors.

### **2.4.2 Request for clarifications from Qualified Investors who have submitted the Documentation of Intent**

- (i) The Negotiation Commission may request information from the Qualified Investors regarding the Documentation of Intent submitted, particularly regarding the content of the Letter of Intent and the amendments to the Project Implementation Memorandum;
- (ii) These clarifications will be provided in writing within the period indicated in the request for clarifications;
- (iii) The Negotiation Commission may require meetings with Qualified Investors who have submitted Letters of Intent. The meetings will be

requested with at least 48 hours in advance and will take place at the SNN headquarters (Bucharest, 65 Polona Street, District 1, Bucharest, Romania).

#### **2.4.3 Evaluation of the Documentation of Intent and the nomination of the Selected Investor**

(i) Based on the Documentation of Intent submitted by the Qualified Investors, the Negotiation Commission will analyse (using, among others, the certified Romanian translation of the Qualification Documentation submitted under paragraph 2.2.5):

(a) the financial capability of the Qualified Investors;

(b) the experience in similar projects of the Qualified Investors;

and will evaluate:

(c) the degree of adhesion of the Qualified Investors to the Project Implementation Memorandum proposed by SNN; and

(d) the characteristic elements of the Project implementation proposed by the Qualified Investor,

according to the criteria that will be described in the Instructions on the investor selection process for the Project Cernavoda NPP Units 3 & 4 - Instructions for drafting the Letter of Intent.

(ii) Following the evaluation process, the Negotiation Commission will nominate a Selected Investor;

(iii) Each Qualified Investor will be informed in writing of the result of the evaluation process;

(iv) The result of the nomination of the Selected Investor will be published on the SNN website;

(v) The Participation Guarantees of the Qualified Investors that were not selected will be returned by SNN within 14 calendar days of the notification on the fact that they were not selected.

#### **2.5 Phase 5: Drafting and signing of the Joint Letter on the Intention to Complete the Project**

The Romanian party and the Selected Investor will draft and sign a Joint Letter on the Intention to Complete the Project.

#### **2.6 Phase 6: Negotiating and signing of the Memorandum of Understanding**

##### **2.6.1 Submission of the Extended Participation Guarantee by the Selected Investor**

- (i) The Selected Investor will be required to provide the Extended Participation Guarantee in favour of SNN in form of a bank letter of guarantee for EUR 500,000, opened with a credit institution from Romania or outside Romania, to be confirmed via banking channels by a bank where SNN has accounts opened.
- (ii) The Extended Participation Guarantee will be submitted in original at the SNN headquarters, 65 Polona street, District 1, Bucharest (in the attention of the Negotiation Commission) within two working days from the date when the Selected Investor will be informed thereof by SNN;
- (iii) The Extended Participation Guarantee will be issued according to publication no. 758 ICC Paris and will be unconditional and irrevocable, enforceable at the first request of SNN;
- (iv) If the amount of the Extended Participation Guarantee is less than EUR 500,000 or its terms do not meet the requirements included in these instructions, the Negotiation Commission will notify the Selected Investor regarding this aspect, having the right to exclude the Selected Investor from the Process, with the returning of the non-compliant letter of guarantee. SNN will be able to begin negotiations with the Qualified Investor that submitted the Documentation of Intent with the immediately following score;
- (v) SNN will be able to request the enforcement of this Extended Participation Guarantee if the Selected Investor leaves or unduly delays the negotiation process of the Memorandum of Understanding, the Articles of Incorporation or the Investors Agreement;
- (vi) SNN will not begin negotiations with the Selected Investor before the submission of the Extended Participation Guarantee;
- (vii) The original Extended Participation Guarantee will be released to the Selected Investor within 14 calendar days of the signing of the Articles of Incorporation and the Investors Agreement, in case these documents do not provide otherwise.

#### **2.6.2 Reopening of the Data Room**

- (i) After submission of the original Extended Participation Guarantee at SNN's headquarters, the Selected Investor will receive access to the Data Room in order to continue the due diligence process, in parallel with the negotiations regarding the Memorandum of Understanding;
- (ii) The Participation Guarantee submitted by the Selected Investor will remain in force and will be returned by SNN on the same date as the Extended Participation Guarantee submitted by the Selected Investor.

- (iii) In this phase the Data Room will contain additional information to the onw made available in phase 2 of the Process;
- (iv) The Confidentiality Undertaking will remain in force up to the signing of the Articles of Incorporation and of the Investors Agreement.
- (v) The Instructions regarding the Access to the Data Room may be modified, including in case when it is necessary to provide access to the Selected Investor to information having a certain degree of confidentiality or which is a trade secret.

**2.6.3** Making requests for clarification on the documentation provided to the Selected Investor

- (i) The Selected Investor may request clarifications on the information and documentation which it has been provided with;
- (ii) These requests will be formulated according to the instructions elaborated by SNN.

**2.6.4** Negotiation and signing of the Memorandum of Understanding for the joint implementation of the Project with the Selected Investor

- (i) SNN will provide the Selected Investor with a draft Memorandum of Understanding for the joint implementation of the Project;
- (ii) The Memorandum of the Understanding for the joint implementation of the Project shall have a binding character. The principles set out therein will be developed in the Articles of Incorporation and in the Investors Agreement;
- (iii) SNN and the Selected Investor will negotiate the contents of the Memorandum of Understanding and will proceed to the signing of its final version.

**2.7** Phase 7: Negotiation of the Articles of Incorporation and Investors Agreement

**2.7.1** Negotiation of the Articles of Incorporation and Investors Agreement

- (i) SNN will provide the Selected Investor with drafts of the Articles of Incorporation and Investors Agreement, based upon the terms of the Memorandum of Understanding;
- (ii) SNN and the Selected Investor will negotiate the content of the Articles of Incorporation and Investors Agreement and will proceed to the signing of the final version of each of these documents.

### **3 Miscellaneous**

#### **3.1 Visits to the Project site**

**3.1.1** Upon the written request of a Qualified Investor, SNN can organise a visit to Cernavoda, at the Project site, within the period when the Data Room is open.

**3.1.2** SNN intends to answer this request in the shortest possible time.

**3.1.3** Upon receipt of the written request of a Qualified Investor, SNN will provide detailed instructions regarding the necessary formalities for access to the Project site.

**3.1.4** However, given the strategic nature of the Project and the nuclear industry specific security procedures, obtaining approvals for this visit may take several days.

#### **3.2 Confidentiality**

The content of the Tender Dossier will be subject to the provisions of the Confidentiality Undertaking.

#### **3.3 Additional aspects**

**3.3.1** The information presented in this document does not constitute the basis of any contract and Interested Investors should not rely on it in connection with any contract or legal obligation;

**3.3.2** These instructions are not intended to form the basis of an investment decision and must not be regarded as a recommendation to invest made by the members of the Project Team;

**3.3.3** This document will not lead under any circumstances to the creation of any legal relationship between the members of the Project Team and any other party;

**3.3.4** The distribution of this document to or from certain jurisdictions may be restricted or prohibited by law. The Negotiation Commission may request to its recipients informative reports regarding the compliance with all such restrictions or prohibitions. The members of the Project Team assume no liability towards any person in connection with the distribution or possession of this document to or from any jurisdiction.

**3.3.5** The correspondence between SNN and the investors will be held in Romanian and / or English languages.

**3.3.6** All references to time will be made to the time of Romania.



### 3.4 Contact

For any questions on the implementation of this Process, and for the submission of the documents required by the Negotiation Commission, the mailing address is:

In attention of: Negotiation Commission Secretariat

SN Nuclearelectrica SA

65 Polonă Street, District 1, Bucharest, zip code 010494, Romania

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## **Annex 1 – Indicative Timetable of Process implementation**

Indicative dates on which the phases of the Process will be carried out are listed below.

SNN reserves the right to amend this indicative planning and will notify the participants to the Process of the modifications of the Indicative Timetable.

The calendar date on which the Process will start, with the publication of the International Notice, is indicated by T0. Other dates will be calculated by reference to T0, with the addition of the corresponding number of calendar days.

T0	27 Aug	Publication of the International Notice
0	27 Aug	Posting on the SNN web-site of the Qualification Documentation
12	8 Sept	Submission of filled-in Qualification Documentation by the Interested Investors
13	9 Sept	Qualification of Interested Investors and notification regarding the results
13	9 Sept	Submission of the Participation Guarantee by the Qualified Investors
13	9 Sept	Acquisition of the Tender Dossier by the Qualified Investors and its distribution
13	9 Sept	Opening of the Data Room for the limited due diligence to be performed by the Qualified Investors
16	12 Sept	SNN management presentation for the Qualified Investors
27	23 Sept	Temporary closing of the Data Room
28	24 Sept	Submission of the Documentation of Intent by the Qualified Investors
29	25 Sept	Clarification meetings of the Negotiation Commission with the Qualified Investors who submitted the Documentation of Intent
32	28 Sept	Establishing the Selected Investor and notification to the Qualified Investors about the result of the selection/evaluation procedure
34	30 Sept	Signing with the Selected Investor of a Joint Letter on the Intention to Complete the Project
34	30 Sept	Submission of the Extended Participation Guarantee by the Selected Investor
34	30 Sept	Re-opening of the Data Room for the access of the Selected Investor which submitted the Extended Participation Guarantee, for the continuation of the due diligence during the negotiations on

		the Memorandum of Understanding for the implementation of the Project
36	2 Oct	Start of the negotiations between the Negotiation Commission and the Selected Investor on the Memorandum of Understanding for the implementation of the Project
52	18 Oct	Temporary closing of the Data Room
53	19 Oct	Closing negotiations regarding the Memorandum of Understanding
54	20 Oct	The convening of the Extraordinary General Meeting of SNN Shareholders to approve the Memorandum of Understanding and the signing of the Memorandum of Understanding
55	24 Nov	Approval by the Extraordinary General Meeting of SNN Shareholders of the Memorandum of Understanding
56	25 Nov	Signing of the Memorandum of Understanding
57	26 Nov	Starting negotiations between the Negotiation Commission and the Selected Investor regarding the Articles of Incorporation of the Project Company and the Investors Agreement