



NATIONAL AIRPORT CARGO INFRASTRUCTURE ASSETS PROJECT; Business Proposal under a Contactor Finance Arrangement

Submitted By: Fiat International Ltd, 9th Floor, Cocoa House, Bank Road, Ibadan

The proposal contained herein presents the basis to increase IGR by \$25.772million per annum, provide employment for 1014 people during construction and 1503 people post construction, and create sustainable infrastructure to support airport development in Nigeria.

Submitted to: Federal Ministry of Transport(Aviation),
Federal Secretariat, Abuja

December 2015

Confidential Agreement

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It is acknowledged by the reader that information furnished in this proposal is in all respect confidential in nature, other than information which is in the public domain through other means, the reader acknowledges that any disclosure or use of same by reader, may cause serious harm or damage to Open-Ended Ventures(Africa) Ltd./Fiat International Ltd./Midas Management Ltd. While OEV confirms that the information provided herein is authentic and correct, we understand that the reader reserves the rights to confirm the validity of the information.

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EXECUTIVE SUMMARY

Project

Fiat International Ltd. (Fiat or the Company) is pleased to present to the Federal Government of Nigeria(FGN) thru the Federal Ministry of Aviation(FMA) this business proposal to develop a National Airport Cargo Infrastructure Assets(NACIA) project. We understand the dynamics of the airport transportation market and the challenge of the Federal Ministry of Aviation to implement the National Airport Master plan which includes the development of the Airport Cargo Infrastructure Assets. The proposal presented herein highlights the plan to undertake cargo development and management by providing airport infrastructure to support cargo operation while creating a basis to develop lucrative cargo export and import business through the airports. We recognize the unique opportunity to develop the NACIA project in order to create a basis for the increase of Internally Generated Revenue(IGR) for the FGN's plan to increase non-oil exports in the country. We note that the Nigerian Airport Transportation market is in its growth stage and we are uniquely positioned to successfully develop the NACIA project.

Having duly examined the Nigerian situation as it applies to the development of the NACIA project, we are confident that the services presented herein will effectively address FMA's need to develop the National Airport Master-plan. Our goal is to develop the cargo infrastructure assets by undertaking the expansion of cargo aprons, build climate controlled warehouses, provide operations equipment and implementation accessories, provide cargo handling, operations and management and the enabling environment for cargo export and import to thrive at six major airports in the first instance. We intend to complete the NACIA project within 24months for a total cost of \$119,926,412.47. By availing itself of our services, the FGN thru the FMA will;

- ❑ Provide employment for 1014 people during construction and 1503 people post construction;**
- ❑ Increase IGR by \$25.772million per annum**
- ❑ Create sustainable infrastructure to support airport development in Nigeria**

Our unique ability to undertake economically viable business development and our successful track record in Greenfield project development makes us an invaluable partner in the airport transportation market. We look forward to forming a mutually rewarding relationship with the FGN and the FMA.



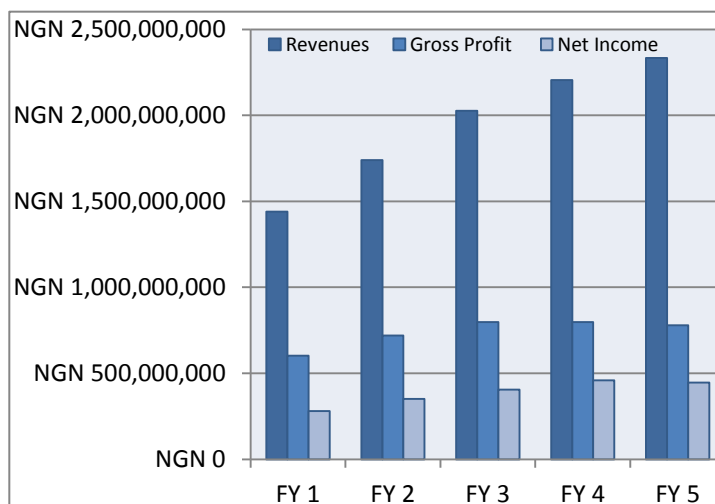
1. COMPANY BACKGRUND

Fiat International Limited, a construction concern, is active in agriculture, housing, health, transportation, and water sectors of the Nigerian and sub-Saharan African markets. With a history which dates back over 30 years, the company has extensive experience in the provision of engineering, procurement and construction services for infrastructure and building development. While improving profit margin and increase in local market share, Fiat has a vision to create a leading engineering, procurement and construction company which has a corporate social responsibility to build local capacity in engineering and construction. With a robust IT infrastructure and process management capacity, Fiat’s objective is to significantly expand its operations into the medium and major transportation markets in Africa. Fiat has the requisite technical and managerial skills to perform in all fields of practice and has an excellent background of working with public and private agencies; therefore providing a strong basis for future relationships on both private and public sector projects.



1.1 Company Locations and Facilities

Fiat's headquarter is located in a quality office space in the downtown area of Ibadan, Oyo State, Nigeria. With project offices across south west Nigeria, an in-house internet server and 24-hour answering service, Fiat deploys an intranet to link the offices while also providing access through which all clients’ query, customers’ request or business communications can be dealt with in an expedient and fluid manner.



In addition, the company is also in negotiation for an appropriate yard and warehouse space at Ibadan, where equipment and other tools can be situated for our integrated infrastructure (transportation) and building construction facility.

1.2 Mission Statement

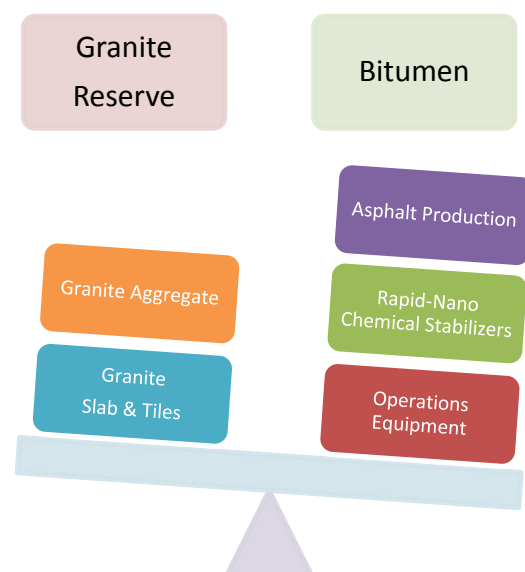
Our purpose is:

“To provide superior project planning, design, construction and management services within the Nigerian and the Sub-Saharan Africa regions.”

1.3 Objective

The objective of Fiat is to provide qualitative, functional, dependable and sustainable transportation infrastructure assets in the African continent. To achieve our goal, we have designed independent systems which are replicable across the Africa region and sub-region. In this vein, and to start the implementation of our objective, we have negotiated the acquisition of a quarry business as well as a granite gneiss deposit in South-West, Nigeria where the production of granite derivatives shall commence. The Apari-Oke quarry site is ready to go into operation, while the Abanla site is awaiting equipment to commence operation. In addition the production of high grade asphalt binder and/or wearing course shall go into operations at our Abanla Industrial estate which is billed to go into operation in 2nd Quarter 2016. The objective – it is important to note – will translate into the generation of cash-flow which will sustain our analogous business model in the trading of granite and asphalt products for profit and the development of qualitative and sustainable transportation infrastructure assets in the roadway and airport sectors.

Founded on June 26 2002 by Open-Ended Ventures(Africa) Ltd and a host of indigenous and international business-men, Fiat(www.fiatafrica.com) offers engineering, procurement and construction services. Our rapid-nano soil stabilizers which we engage for sub-base and base course work is known to deliver sustainable roads and highways while we have developed a special formula for our production of asphalt binder and wearing course to deliver sustainable roadway



construction. In the same vein, the above technology which is adopted and engaged throughout our value chain is engaged on civil works in the airport sector for the development of sustainable infrastructure assets.

Fiat presently serves three(3) state governments in Southern Nigeria and the Federal Government, Federal Airport Authority of Nigeria and Federal Ministry of Works. We presently have on employment 54 people in South-West, Nigeria. Fiat, its affiliates and engineers are certified by the Council for the Regulation of Engineering in Nigeria(COREN) to engage in construction and related services.

2. IDENTIFIATION OF NEEDS & OPPORTUNITY

2.1 Country Needs

Fiat understands the needs of the Federal Ministry of Aviation and the interest to develop and/or upgrade airport infrastructure assets in order to contribute significantly to the country's Gross Domestic Product(GDP) and improve on non-oil exports country-wide. In this regards, Fiat proposes to build cargo handling facilities at the four International airports and other selected airports which have potentials for export trade transactions and serve as regional hubs for import trade into the country. As such, Fiat proposes to;

- ❑ Build/expand cargo aprons at identified airports,
- ❑ Build/modify/upgrade temperature controlled warehouses at identified airports,
- ❑ Organize/undertake cargo handling operations at identified airports,
- ❑ Manage cargo storage and shipment at identified airports
- ❑ Develop export business to expediently engage the airport infrastructure assets.

The above project activities shall be undertaken at the following airports for the first phase:

1. Murtala Mohammed International Airport(MMIA), Lagos;
2. Nnamdi Azikwe International Airport(NAIA), Abuja;
3. Mallam Aminu Kano International Airport(MAKIA), Kano
4. Port Harcourt International Airport(PHIA), Port Harcourt;
5. Asaba Airport(AA), Asaba;
6. Ibadan Airport(IA), Ibadan.

Following the sustainable development of the infrastructure assets at the above-listed airports, the project activities shall be undertaken at the following airports for the second phase:

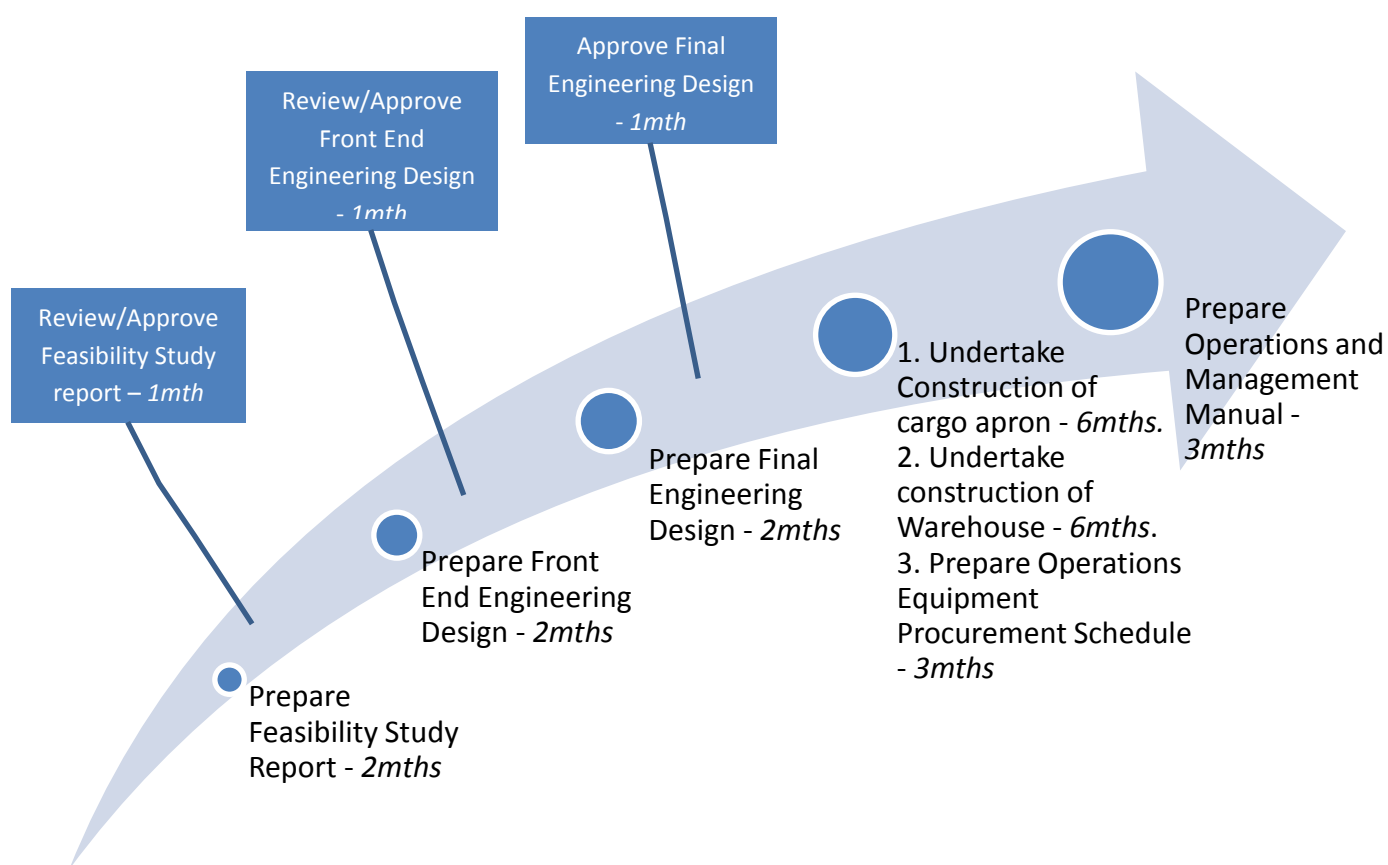
1. Enugu Airport, Enugu;
2. Owerri Airport, Owerri;
3. Ilorin Airport, Ilorin;
4. Maiduguri Airport, Maiduguri;
5. Yola Airport, Yola
6. Calabar Airport, Calabar

2.2 Technical Review and Assessment

At each of the identified airports, we shall undertake a review and assessment of the existing airport cargo infrastructure assets and the level of engagement of the assets. In this respect, we shall present our review and assessment in the following documentations;

- a) Feasibility Study report
- b) Front End Engineering Design of cargo apron and warehouse facility
- c) Final Engineering Design of cargo apron and warehouse facility
- d) Operations Equipment Procurement Schedule for Cargo Handling
- e) Operations and Management Manual for Cargo Storage and Shipment.

2.3 Project Timeline



2.4 Project Cost per Airport (See 6. Project Costs)

Name of Airport	Engineering Procurement & Construction (\$)	Operations Cost (\$)	Business Development & Management (\$)	Total Direct Cost (\$)
MMIA, Lagos	16,615,497.78	11,184,776.62	2,796,194.15	\$30,596,468.55
NAIA, Abuja	10,080,661.59	600,663.92	150,165.98	\$10,831,491.49
MAKIA, Kano	12,580,661.59	1,100,354.60	275,088.65	\$13,956,104.84
PHIA, Port Harcourt	12,580,661.59	780,604.20	195,151.05	\$13,556,416.84
AA, Asaba	8,876,139.71	600,663.92	150,165.98	\$ 9,626,969.61
IA, Ibadan	8,876,139.71	600,663.92	150,165.98	\$ 9,626,969.61
Total	\$ 69,609,761.97	\$14,867,727.18	\$3,716,931.79	\$ 88,194,420.94

2.5 Project Requirement

Fiat has identified that the following requirements should be met in order to successfully complete this project;

- a) Provide adequate and congruously located land to place cargo apron adjacent to a taxiway, and temperature controlled warehouse along-side the cargo apron.
- b) Provide adequate drainage around the cargo apron and warehouse facility.
- c) Provide an irrevocable payment guarantee backed by FGN/CBN guarantee on annual crude lifting accounts for the project finance.

2.6 Assumptions

The following assumptions were made in the preparation of this proposal;

1. The cargo apron shall be a minimum length: 150m and width: 140m; designed to have a chemical stabilized sub-base and coarse aggregate base with a 300mm thick concrete finishing with reinforced load transfer bars.
2. Subgrade and sub-base material strength of in-situ soils is between 12% - 30% CBR.
3. Subgrade and sub-base shall be stabilized with non-reducing strength chemical soil stabilizers to achieve a minimum 30% CBR
4. Base material shall be crushed stone aggregate of 0 – 50mm size spread in layers not to exceed 150mm thickness.
5. The warehouse building shall be made of steel structures minimum length: 100m and minimum width: 25m and provided with temperature controlled facility.

2.7 The Opportunity

As a result of our sector review and anticipated projections, the FMA/FAAN has the opportunity to generate annual revenue of \$25,772,930.70 starting from the first year after a construction and development moratorium period of 24months - if successfully accomplished as our strategy can yield 8.1% Return on Investment (ROI) in the first year and increase to a 25% ROI in 5years.. The annual revenue is projected to grow by 15% yearly to reach \$51,545,861.40 in seven(7) years.

After analysing different scenarios and taking into account the strengths and expertise of our synergies, we see potentials of the project providing additional employment for 1503people in the aviation sector and provide taxes of \$2,572,293.07 annually. For payment on the project, we shall accept a payment guarantee of 96 equal monthly instalment payments backed by the Federal Government of Nigeria/CBN bank guarantee on annual crude lifting accounts for the project finance of \$119,926,412.47 or consider accepting a 30years renewable operations and management concession right over the landed property and infrastructure assets.

Following from industry trends, notably the engagement of strategic synergies to implement cost control measures, we have shaped our proposed strategy as described in section 3.2. As such, Fiat will be instrumental in helping FMA/FAAN to reach a new market (export of agro perishables and fruits), address its clients' needs and stave off the threat of business losses.

2.8 SWOT Analysis

In addition to the preliminary sector analysis undertaken, it is also important to look at the SWOT analysis for our business.

Strengths	Weaknesses
<ul style="list-style-type: none"> • A knowledgeable and friendly staff • State-of-the-art ICT infrastructure • A clear vision of the market • Growing reputation across Nigeria and Sub-Saharan Africa 	<ul style="list-style-type: none"> • Access to adequate and reliable pool of funds to finance projects • A heavy dependence on quickly changing technology • Costs associated with keeping state-of-the-art facilities to engage in the services we offer
Opportunities	Threats
<ul style="list-style-type: none"> • A growing business population who need basic and fundamental infrastructure for growth; quality as well as functional services • The growing social bonds fostered by a new technology based environment 	<ul style="list-style-type: none"> • Rapidly increasing costs of construction materials • Lack of good and dependable workmen to service the labour needs • Emerging local competitors • Political instability in the region • Corruption amongst the competition could hamper the chances of winning new contracts

Fiat will take advantage of the opportunities provided by the macro-economic indices of the aviation sector as we offer services that can leverage on our strengths in the market. Nevertheless, to shore-up the weaknesses observed with our system, we have sourced \$20million in the international financial market to finance our expansion and growth program. The funds which will enable Fiat to finance its projects; technology acquisition and keeping abreast of its state-of-the-art facilities is at the stage of conclusion now. To manage the threats identified in the industry, we have engaged in a backward integration of the supply chain for our construction material needs. As such, we have acquired a quarry for the supply of stone-base, granite and stone-dust needed for the execution of our projects; are in the process to build an asphalt plant to supply our conventional asphalt and our special asphalt rubber as well as our polymer modified asphalt needed for our work. To facilitate the anticipated work program, we are forming synergies with Universities and Polytechnics across the country to recruit trainable entry level engineers and other professionals needed for our projects and offices while we plan to undertake talent searches world-wide to locate Nigerians, African and other expatriate engineers and professionals willing to engage and work with us in Nigeria.

2.9 Project Scope

The project presented herein will involve the Director of Airports at FMA and 15 nos FAAN's employees. It will require the coordination of Engineering, Projects, Safety, and Maintenance departments at FAAN Headquarters and the Airport Manager's office at MMIA, Lagos; NAIA, Abuja; MAKIA, Kano; PHIA, Port Harcourt; AA, Asaba; and IA, Ibadan.

The scope of work for the project includes;

- ❑ Build/expand cargo aprons at identified airports,
- ❑ Build/modify/upgrade temperature controlled warehouses at identified airports,
- ❑ Organize/undertake cargo handling operations at identified airports,
- ❑ Manage cargo storage and shipment at identified airports
- ❑ Develop export business to expediently engage the airport infrastructure assets.

The NACIA project will provide revenue generation opportunities, which will dramatically help the growth of the non-oil export initiative of the Federal Government.

3. PROJECT PLAN

3.1 Project Objectives

We have analysed the present situation of the aviation market and believe that the following objectives can be achieved;

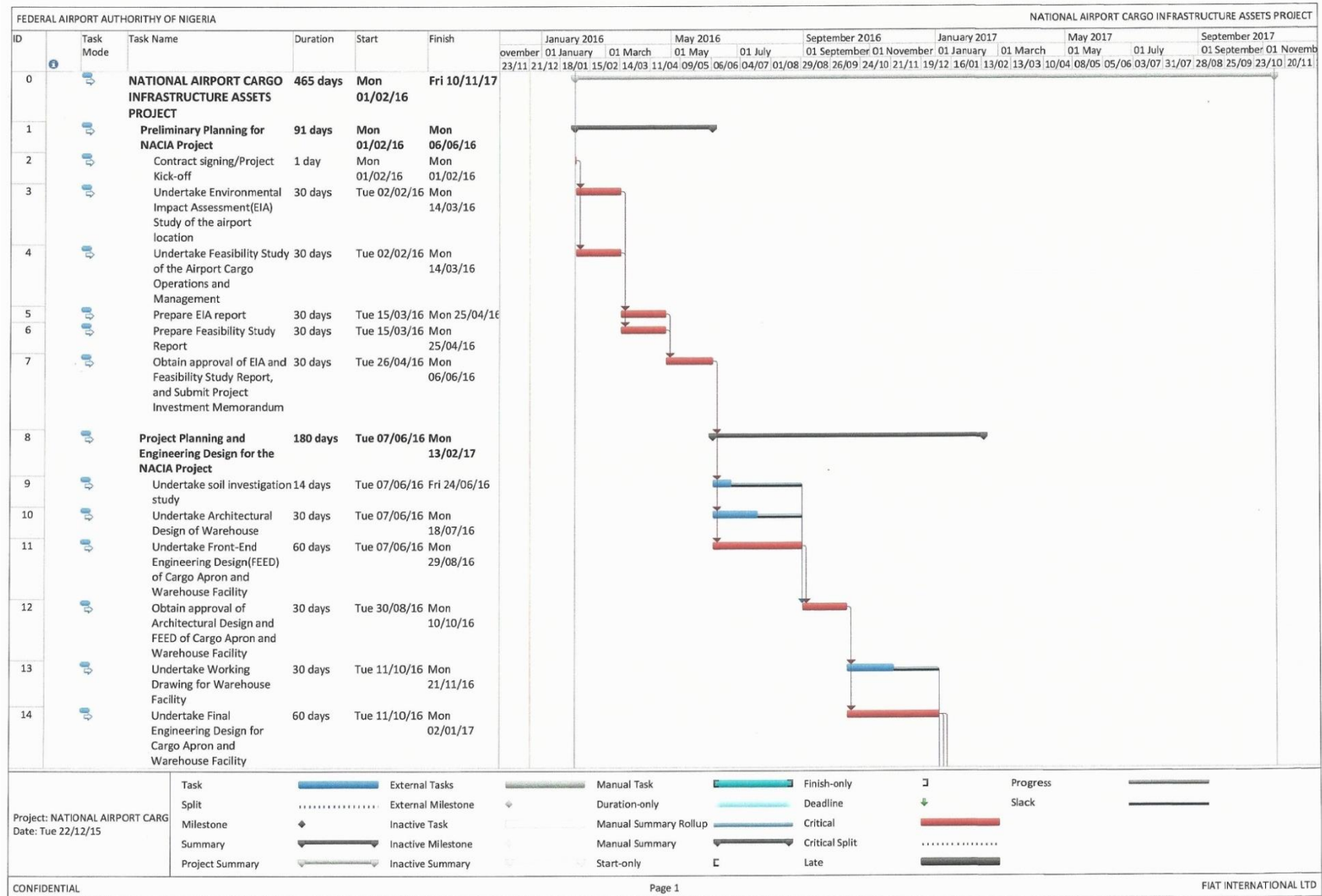
- Increase IGR by \$25.772million per annum
- Provide employment for 1014 people during construction and 1503 people post construction;
- Create sustainable infrastructure to support airport development in Nigeria

3.2 Project Strategy and Plan

The project proposed herein involves the review, assessment and evaluation of cargo operations and management at the airports in Nigeria. The project highlights the development of a plan to increase the capacity of airport infrastructure to efficiently handle an anticipated increase in cargo export and import through Nigerian airports.

Following from the anticipated increase in the export of raw, semi-finished and finished goods from Nigeria, it is expected that the present cargo operations and management at some of the airports shall be over-stretched. Already, the MMIA which handles the largest inflow of imports into Nigeria(86.4million tonnes/annum; 2014) is experiencing an over-utilization as it is frequently reported that aircrafts delivering cargo are frequently involved in clearance/wing-touching accidents at the airport. As such, a proactive approach which will result in the expansion of the cargo apron in addition to the warehouse storage facility at the airport will help to sustain the anticipated export growth in the country. A result of our sector analysis reveals that cargo operations and management at most airports other than the international airports in Nigeria are very low or non-existence. The reason being, in our opinion, is that most Nigerian airports cater more to cargo imports than to exports and the cargo handling tariffs at the remote airports are quite high because of the low volumes which are experienced at the locations. Evident from this is the cargo tariff experienced at MAKIA/NAIA/PHIA which range between N35,365/tonne thru N44,784/tonne compared to N8,792/tonne at MMIA. As such, cargo imports to Lagos are bound to be on the rise as importers would rather enjoy the lower cargo tariff at MMIA, Lagos while subjecting their goods to the lower road transportation tariff which provides a cheaper alternative.

In respect of the above, we shall utilize a strategy that will engage a holistic approach in which the incorporation of a business development task is an integral part of its project planning. For effective engagement, we shall tie-in to existing structures with third party entities world-wide to facilitate more imports into Nigeria, while creating a basis with local companies to encourage cargo exports from remote airports such that cargo tariffs are reduced as a result of the volume transactions. The following program of work shall guide our implementation of the NACIA project;



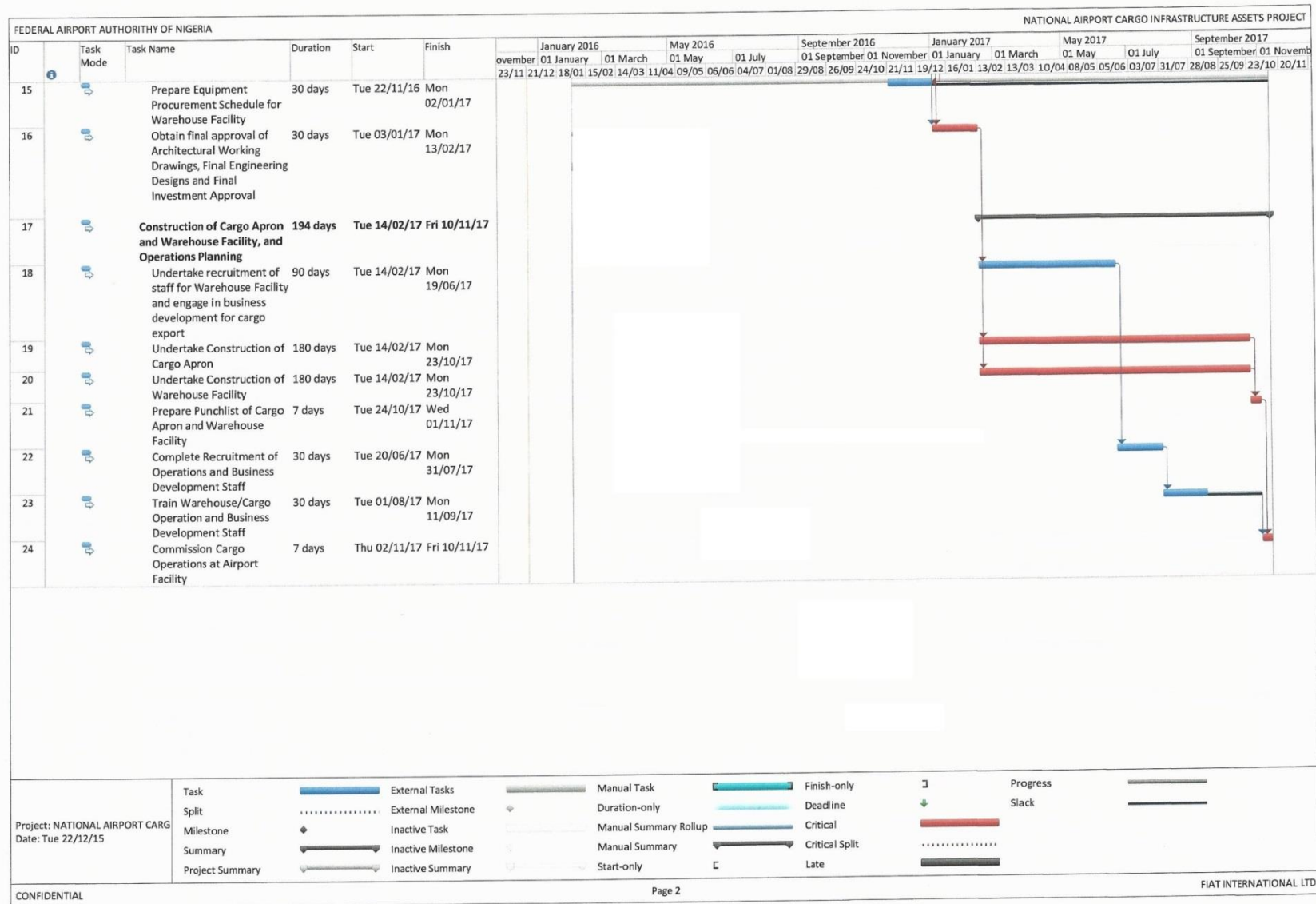


Table 3.2.1: Preliminary Program of Works

The implementation of the project work activities presented above will result in the development of infrastructure assets which are needed for the expansion and growth program of cargo operations and management at the Nigerian airports. The solution proposed will result in the provision of adequately sized cargo aprons with functional warehouse facilities for the storage of cargo, a dependable and committed staff to manage cargo operations as well as facilitate the business that will drive the facility. As such, the implementation of the NACIA project will result in the increase of revenue generated from cargo operations and management by \$25.772million, provide employment for 1014 people during construction and 1503people post construction, and create a basis for airport infrastructure assets development in Nigeria.

3.2.1 Project Deliverables

In the course of the NACIA project, we shall deliver the following;

- ❖ Feasibility Study Report for Infrastructure Assets Development at Nigerian Airports;
- ❖ Business Plan for Development of Cargo Export thru Nigerian Airports;
- ❖ Implementation Manual for Cargo Operations and Management at Nigerian Airports; and
- ❖ Comprehensive Architectural and Engineering Design for the Nigerian Airport Cargo Infrastructure Assets.

3.2.2 Needs vs Opportunities

The following table shows how FMA’s needs have been taken into consideration when formulating opportunities:

Needs	Opportunities	Deliverables
1. Build/expand cargo aprons at identified airports.	1. Increase IGR by \$25.772million per annum. 2. Provide employment for 1503 people 3. Create sustainable infrastructure to support airport development in Nigeria	❖ Feasibility Study Report for Infrastructure Assets Development at Nigerian Airports;
2. Build/modify/upgrade temperature controlled warehouses at identified airports.		❖ Business Plan for Development of Cargo Export thru Nigerian Airports;
3. Organize/undertake cargo operations, management and shipment at identified airports.		❖ Implementation Manual for Cargo Operations and Management at Nigerian Airports; and
4. Develop export business to expediently engage the airport infrastructure assets.		❖ Comprehensive Architectural and Engineering Design for the Nigerian Airport Cargo Infrastructure Assets.

Table 3.2.2: NACIA Project Needs & Opportunities

3.2.3 NACIA Proposed Project Team

This project will be overseen by *Riad Saror Almozeeb* who is our General Manager – Infrastructure. He will be in charge of the planning and construction assignments and manage the work done by the following teams:

- ❖ **Team A –** Manager: Hacı Cengiz – Asst. Project Manager I
Member: Motolani Ibiwoye – Snr. Project Engineer, Alade Ojo - Project Quantity Surveyor, Sola Oshoko - Geotechnical Technician, Olayode Yusuf, Surveyor.
Main Tasks:
 1. Preparation of feasibility study report
 2. Preparation of architectural design of warehouse
 3. Preparation of Front-End Engineering Design(FEED) of cargo apron and warehouse.
 4. Preparation of Final Engineering Design(FED) for cargo apron and warehouse
 5. Preparation of operations equipment schedule
 6. Preparation of implementation and operations manual.

- ❖ **Team B -** Manager: Rahim Ebrahimianasl, Asst. Project Manager II
Member: Ogunleke Olabode – Site Manager, Ashaolu Olusayo, Site Engineer, Oluwaseun Ajani, Site Engineer, Shakiru Olalekan, Surveyor, Samuel Adeyeri, Health, Safety & Security Officer, Ademola Amao, Plant Supervisor, Vera Aihevba-Tylu, Project Account
Main Tasks:
 1. Construction of cargo apron
 2. Construction of temperature controlled warehouse

- Asst. project Manager(1)
- Snr. Project Engineer(1)
- Project Quantity Surveyor(2)
- Geotechnical Technician(4)
- Project Land Surveyors(4)
- CAD Operators(4)

**TEAM A -
ENGINEERING(16)**



- General Manager/Proj Mgr(1)
- Asst. Proj Manager(2)
- Project Architect(2)
- Snr. Project Engineer(1)
- Site Manager(1)
- Clients Relations Manager(1)
- Accounts Officer(1)
- Receptionist(1)
- Drivers(22)
- Security(4)

**GENERAL
MANAGEMENT/
PROCUREMENT(32)**



- Asst. Project Manager(1)
- Site Manager(1)
- Site Engineer(2)
- Supervisors(4)
- Site Surveyor(2)
- Health, Safety & Security Officer(1)
- Plant Supervisor(1)
- Plant Mechanic(4)
- Plant Operators(10)
- Labourer(140)

**TEAM B -
CONSTRUCTION(161)**



4. WHY CHOOSE FIAT INTERNATIONAL LTD.

4.1 Benefits of our Proposed Plan

When comparing our capabilities to that of our competitors, the benefits of choosing Fiat are:

- ❖ Short Time to Completion of Project.
- ❖ Lower Implementation Cost.
- ❖ Committed Qualitative Delivery.
- ❖ Service Reliability
- ❖ Improvement in the business model which will increase revenue generation.
- ❖ High Return on Investment (ROI).

4.2 Competitive Advantage

The following are competitive advantages that differentiate Fiat from other providers:

□ Company Recognition

Brand Awareness: Having being involved in the engineering and construction sector in Nigeria since 2002, we have an incredible understanding of the Nigerian market and the doggedness to see project tasks to completion.

Brand Image: We have pioneered the introduction of a specialized construction technology, and Fiat remains at the cutting edge of technology transfer to the Nigerian market.

Brand Identity: Fiat is synonymous with qualitative deliverables and plural individualization – we are committed to qualitative project development.

Industry Recognition: The principals of Fiat are registered with COREN, and NSE, while Fiat is registered with CAC.

□ Expertise & Stability

Having Knowledgeable Workforce: Our collective experience in engineering, procurement and construction sets us apart from our peers. We drive ourselves to manage projects to completion experientially.

Skilled Labour: We have access to a pool of skilled labour which complements our ability to mobilize swiftly.

Technological Skills: Fiat is committed to the engagement of digital technology in the administration, supervision and control of project activities.

Powerhouse Solution: We engage creative value engineering approach in our supply chain process; thereby, providing an integrated solution in our project definition. Fiat engages a creative visualization approach in the execution of projects – we keep our mind-set on the project goals.

High-level Standards: We utilize the British Standards in the design and quality control of project tasks and activities to create an aesthetically pleasing, functional and durable product.

Stability: We understand our thresholds and work within our limits to remain dependable while in control of our elasticity.

□ **Technology**

Performance: Our confidence to perform stems from our commitment to build a backward integration approach as we develop a functional and efficient supply chain process for our aggregate and asphalt needs.

Flexibility: Our systems are adaptable as we understand that circumstances are different and so is the working environment. We are flexible in our approach.

Scalability: Our systems are scalable, transferable and dependable. We are able to mobilize and/or remobilize plants and resources within a reasonable period of 14days.

Reliability: We have created a system to shorten the lead time in our supply side and can deliver labour and materials to include aggregates, bitumen and cement to our sites within a seven(7) day period on the first instance and continuously throughout the project duration.

□ **History of Success**

Steady Growth in Sales: Fiat's sales have grown from ₦112mill in 2010 to ₦158million in 2013 and ₦178million in 2014.

Successful Track Record: Fiat completed sixty(60) km of roads in 2012, Twenty-one(21) km in 2013 and is poised to undertake eighty(80) km of road in 2016.

Adaptability: Fiat continues to work everywhere in the country from South-South thru the South-West and the North-Central to the North=East. Fiat has a good understanding of working in different communities, and is guided by traditions of the different regions.

□ **Customer Service**

First-Class Service: Our service is based on the administration of a professional, dynamic and pro-active agenda. Fiat's staffs are always ready to articulate the project findings, status and constraints without fear or favour. We are disciplined in our approach to project management.

24/7 Support: Fiat is always available to respond to project issues on a 24hour basis. We provide project site support on an on-going arrangement as we keep a full retinue of staff attached to each project at all times.

Client Input: Fiat understands the importance of carrying the client along with the project status based on the client's guideline and inputs. We manage instructions from clients expeditiously and make inputs from our clients' the benchmark while advising appropriately.

4.3 Team Qualifications

Key Team Members:

Riad Saror Almozeeb, G.M./Project Manager

Riad has 27years' working experience in civil engineering. He's been involved in numerous infrastructure projects to include airports, roads and highways, and bridges in the Middle East, Gulf Countries and Africa.

His experience in Africa dates back to 2004 when he engaged in strategic airport projects in Gambia and Tanzania, and major roadway projects in Nigeria. Riad has an in-depth knowledge of the construction and supervision

of several kinds of works and has an outstanding experience in several aspects of airport designs and ICAO specifications.

Riad graduated from MIIT University, Moscow, Russia in 1988 with a Masters in Bridges and Tunnels while he obtained Bachelors in Civil Engineering from the same school in 1987. Riad is married with children and speaks, read and write Arabic, English and Russian.

Haci Cengiz, Asst. Project Manager/Team Lead I

Haci has 15years' working experience in infrastructure development. He has been involved in numerous infrastructure as well as building projects to include commercial and residential housing, roads and highways, and bridges in the Turkey and Africa.

He is a resourceful professional who has managed from inception the design and construction of several infrastructure facilities to include municipal buildings and highways. He is a graduate of Ihsan Dogramaci Bilkent University where he graduated with a Bachelors of Science degree in 1999. He is married with children and speaks, read and write Turkish and English.

Rahim Ebrahimianasl, Asst. Project Manager/Team Lead II

Rahim has 5years' working experience in heavy construction. He has been involved in numerous infrastructure projects to include tunnelling, gas pipeline, military, highways and bridges construction works in the Middle East, Turkey and Africa

He is a hands-on construction expert who endures to carry out projects to completion on schedule and under budget. He has supervised the construction of special highways and has been involved in the construction of natural gas pipelines. He is a graduate of Technical University, Tehran, Iran where he obtained his Bachelors of Science degree in civil engineering in 2010, and Islami Azad University, Syria where he obtained his Masters of Science degree in 2012. He is married with two(2) children and speaks, read and write Farsca, Azerice, English and Turkish.

Motolani Ibiwoye, Snr. Project Engineer

Motolani has 8years' working experience in engineering and construction. He has been involved in numerous infrastructure development projects to include civil, multi-storey building, roadways and highways, and bridge construction works in Africa.

He has an extensive experience working on public and private sector projects in Nigeria. His experience spans planning, design and construction of

numerous civil engineering projects. He is a graduate of Federal University of Technology, Minna where he obtained his Bachelors of Engineering in Civil Engineering Degree in 2007 and he's in the process of completing his Masters of Science in Civil Engineering from the University of Ibadan in 2015. He is a member of the Nigerian Society of Engineers(NSE). He is married with a child and speaks, read and write English and Yoruba.

Olabode Ogunleke, Project Engineer I

Olabode has 5years' working experience in planning and management of engineering and construction projects. He has been involved in building development projects which included various civil construction works in Africa.

He has a good working knowledge of construction supervision project management in Nigeria. He is a graduate of the University of Ilorin where he obtained the Bachelors of Engineering in Civil Engineering in 2010. He is a member of the Nigerian Society of Engineers and Chattered Institute of Environmental Health, UK.

For complete curriculum vitae of key employees, please see Appendix

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5. IMPLEMENTATION PLAN.

5.1 Methodology

We have the opportunity to engage the critical path method of work in this project. The deliverables shall be provided according to the project report needs as the methodology gives us the advantage to generate a cost loaded schedule of work. As such; we can generate comparative report schedule which will analyse the actual cost of work performed to the budget cost of work performed and other cost analysis as needed.

5.2 Scheduling

In order to initiate this plan, we first need to prepare a comprehensive program of work for the NACIA project. The global program of work will have activities which will breakdown the schedule of work for the sub-projects. From Table 3.2.1: Preliminary Program of Work, we expect to complete this project in 630days.

5.3 Testing & Evaluation of Works

The testing phases shall debut when the construction works is in progress. In addition, during the procurement of equipment, the Client representative shall be available to witness the testing of equipment before shipment. During the construction phase, testing and evaluation will be undertaken to confirm that the work elements meet the design thresholds and as such in-situ non-destructive tests shall be undertaken for the completed, sub-base, base and concrete works pertaining to the cargo apron construction, while stress test shall be carried out on the foundation, steel and concrete elements of the warehouse to confirm and guarantee the construction.

6. PROJECT COSTS

6.1 Cost Breakdown

Based on the analysis of your needs and our proposed plan, the total funds required are estimated at: \$119,926,412.47. The cost breakdown is detailed in the table below.

Name of Airport	Engineering Procurement & Construction (₦)	Engineering Procurement & Construction (\$)	Operations Cost (\$)	Business Development & Management (\$)	Total Direct Cost (\$)	Project Interest Amount (\$)	Project Grand Total (\$)
MMIA, Lagos	3,323,099,555.75	16,615,497.78	11,184,776.62	2,796,194.15	30,596,468.55	11,014,728.68	41,611,197.23
NAIA, Abuja	2,016,132,318.27	10,080,661.59	600,663.92	150,165.98	10,831,491.49	3,899,336.94	14,730,828.43
MAKIA, Kano	2,516,132,318.27	12,580,661.59	1,100,354.60	275,088.65	13,956,104.84	5,024,197.73	18,980,302.57
PHIA, Port Harcourt	2,516,132,318.27	12,580,661.59	780,604.20	195,151.05	13,556,416.84	4,880,310.06	18,436,726.90
AA, Asaba	1,775,227,941.36	8,876,139.71	600,663.92	150,165.98	9,626,969.61	3,456,709.06	13,083,678.67
IA, Ibadan	1,775,227,941.36	8,876,139.71	600,663.92	150,165.98	9,626,969.61	3,456,709.06	13,083,678.67
Total	NGN13,921,952,393.28	\$69,609,761.97	\$14,867,727.18	\$3,716,931.79	\$88,194,420.94	\$31,731,991.53	\$119,926,412.47

Exchange Rate: \$1 =NGN 200.00

Table 6.1.1: Cost Breakdown Analysis

6.2 Payment Terms

All proposed planning, designs, construction, management and finance costs associated with the completion of this project shall be billed. This proposal provides an estimate of total cost to undertake the project. Any amount exceeding this quotation shall be presented with the feasibility study report and final engineering designs and are subject to the approval of the FMA.

The payments for this project shall be made in 96 equal monthly instalments. Except revised by our bankers and/or financial partners, the sum of \$1,249,420.96 shall be remitted monthly through a FGN/CBN backed bank guarantee. All late payments exceeding 30days are subject to a 0.5%monthly surcharge or maximum permitted by law.

The payments must be remitted by bank wire transfer and must be made payable to Fiat International Ltd at its local financial institution for onward repayment to its financial partners.

6.3 Guarantees

Fiat hereby offers the following guarantees:

- a) The planning, design and construction of the NACIA project shall be completed within 630 calendar days which means the project shall be finished by 10th November 2017 assuming the project contract is signed by 1st February, 2016 while the business development structure of the NACIA project shall be completed in 90days and will continue as an ongoing activity in the operations.
- b) If Fiat's estimates to complete the NACIA project exceed the total cost estimates by \$11,992,641.25, it shall be subject to a penalty fee of 2% of exceeding amount.
- c) The proposed cargo apron and warehouse construction works shall adhere strictly to the British Quality Standard; if this is not the case Fiat will be subject to a penalty of 2% of the cost of the element of work that falls short of the standard.

FMA shall offer the following guarantee:

- a) **payment guarantee of 96 equal monthly instalment backed by the Federal Government of Nigeria/CBN bank guarantee on annual crude lifting accounts for the project finance of \$119,926,412.47.**

7. CONCLUSION

Fiat is confident that our proposal will provide a basis to Increase IGR by \$25.772million per annum in the first year after construction, provide employment for 1014 people during planning, design and construction and 1503 people post construction; and create sustainable infrastructure to support airport development in Nigeria. We sincerely hope that the Federal Ministry of Aviation and Federal Airport Authority of Nigeria will consider us as a long-term partner and allow us to enter into a mutually beneficial relationship. We are available to answer any questions you may have and look forward to discussing this opportunity further.

After reviewing this document, the following steps should be performed in order to come to a final agreement

- Submission of questions/suggestions
- Counter proposal or approval by FMA/FAAN
- Negotiation of fees, terms, clauses and conditions

We declare this offer to be binding and free of errors or omissions. Due diligence has been performed in order to ensure compliance with your requirements and particular situation. We agree to hold our proposal open for acceptance until March 31, 2016.

Thank you for your interest.

Sincerely,

8. APPENDIX

- a) COREN Annual Practising Licence
- b) NACIA Proposed Program of Work
- c) Proposed Bill of Engineering Measurements and Evaluation
- d) HSBC Indicative Term Sheet
- e) NAHCO Aviance Annual Report (2014)
- f) Fiat Capability Statement & Expression of Interest