

According to the Agreement on power of attorney signed between the Holding kompanija za finansijski inženjering, trgovinu i usluge (Holding company for financial engineering, trade and services) «Fond Ineks – Intereksport» a.d. in restructuring Belgrade, as Principal and Privatization Agency as Holder of power of attorney, Privatization Agency announces:

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC BIDDING FOR PURCHASE OF THE REAL ESTATE: OFFICE BUILDING IN BELGRADE, RAJIĆEVA ST. 12

1. Subject of sale

Subject of sale is real estate: Residential and office building in Belgrade, Rajiceva St. 12, which, according to the Real estate Document no.1433 of the Cadastral Municipality Stari Grad, consists of: ground floor, floor and attic in mixed ownership of the Holding company for financial engineering «Fond Ineks Intereksport» a.d. Belgrade with size of the stake 1/1. The stated real estate is located on the cadastral lot 1909, number of a part of the lot 1 which is city construction land under the building and other facility, covering the area of 2a and 67m² in state ownership with right of use of the Holding company for financial engineering «Fond Ineks Intereksport» a.d. Belgrade.

Residential and office building in Belgrade, Rajiceva St. 12, is registered in the Real estate Document no.1433 of the Cadastral Municipality Stari Grad, only according to structure.

According to the Certificate issued by City of Belgrade – municipality of Stari Grad - Department for municipal and building activities V-01/4 no.351-947/99 dated 13.01.2000 (in the copy which is presented as Attachment to the Selling documents), and which is made based on findings of the City Institute for expert opinions, no. G-350/99 dated 10.08.1999, it is stated that the factual situation of the above mentioned real estate is:

- basement - warehouses occupying the area of 130,30 m²
- ground floor 221,35 m²
- floor 220,26 m²
- attic 210,83 m²

which comprises the total area of office premises in the building in Rajiceva St.12 of 782,74m².

Detailed description and specification of the real estate which is offered for sale is the integral part of the Bidding documents (Selling documents).

2. Initial price

Initial price for the Subject of sale in public bidding amounts to **EUR 3.405.000,00** (three million four hundred five thousand euros).

3. Selling documentation

Bidders can find all further information related to the procedure of sale of the Office building in Belgrade, Rajiceva St. 12, within the Selling documentation, which shall be made available to them as of **27.10.2008**.

Selling documentation fee amounts to EUR 1.000,00 (in letters: one thousand euros) for foreign individual or legal entity, i.e. EUR 1.000,00 in the RSD counter-value, according to the median exchange rate of the National Bank of Serbia, on the date of invoice issuing, for domestic individual or legal entity.

The Agency hereby invites all interested parties to submit a request in writing for purchase of the Selling documentation, not later than **19.11.2008**.

The written request for purchase of the Selling documentation shall be submitted by mail, e-mail or fax to the address stated below, with clear indication: «Request for purchase of the Selling documentation – sale code **RAJ 281108- 00**». Upon receipt of the Request for purchase of the Selling documentation, the invoice for payment of the Selling documentation fee shall be sent to the authorized person of the interested party by mail, e-mail or fax.

Upon receiving the evidence on effected payment of the Selling documentation fee, the Agency shall submit the Selling documentation to Bidders by mail or e-mail or deliver it in hand to their authorized representatives.

The Agency shall bear no liability in the event of loss or delay in submission of any document.

4. Site visit

The participants in procedure/bidders may visit subjects of sale in the period from **27.10.2008** until **19.11.2008**.

5. Deposit or Guarantee for participation in public bidding

A participant must pay in the deposit in the amount of EUR 700.000,00 (seven hundred thousand euros) or submit **Bank guarantee** in the same amount, not later than **19.11.2008**.

6. Application for participation in public bidding

The deadline for submission of written Application for participation in the public bidding is **19.11.2008**, at 16:30 (Belgrade time).

7. Right of participation in public bidding

The right to participate in public bidding has domestic or foreign individual or legal entity which cumulatively fulfills the following conditions:

- a) it has purchased the Selling documentation;
- b) it has paid in the Deposit or submitted the Guarantee for participation in public bidding;
- c) it has submitted the Application for participation in public bidding.

The right to participate in public bidding has a consortium which consists of legal entities and/or individuals ("Consortium"), which cumulatively fulfills the following conditions:

- that all Consortium members have made the Decision on organizing and joining the consortium;
- that all Consortium members have concluded written Agreement on consortium and certified it in court, i.e. another relevant body (in the event of foreign legal entities and individuals);
- that each Consortium member assumes unlimited joint liability by the Agreement on consortium for fulfillment of obligations set out in the Sale and purchase Agreement;
- that the percentage of participation of each Consortium member has been specified by the Agreement on Consortium;
- that all Consortium members have signed the certified Power of attorney for a member representing the Consortium;
- that at least one of Consortium members has purchased the Selling documentation;
- that the Consortium has submitted bank guarantee and application for participation in the public bidding, in line with the Selling documentation.

Buyer of real estate and/or member of Consortium cannot be: 1) domestic legal entity which operates with majority socially-owned capital; 2) legal entity and individual which has due, but unsettled liabilities toward the Seller, 3) subsidiaries of the Seller, and 4) a person who was convicted or against whom proceedings have been brought for criminal offences defined by Article 12 of the Law on privatization ("Official Gazette RS" 123/07). Such applications shall be rejected without consideration.

Subsidiary (either independently, or as a member of Consortium) has the right to submit the application for participation in public bidding also if its parent company has purchased the Selling documentation. Also, a parent company (either independently, or as a member of a Consortium) has the right to submit the application for participation in public bidding, if its subsidiary has purchased the Selling documentation. In that event, it is necessary to submit the relevant evidence about the relationship between the parent company and subsidiary.

8. Public bidding

Public bidding will be held on **28.11.2008**, at **11** (Belgrade time), at the following address: **Privatization Agency, Terazije St. 23, 2nd floor, Belgrade.**

9. Questions and additional clarifications

For all questions concerning this public invitation, interested parties may contact the following contact persons, at the addresses stated below:

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The Agency reserves the right to change dates, deadlines and/or conditions from this Public invitation, to annul it at any time and shall bear no liability for possible costs or damages to the Participants, which such changes or annulment have caused.