

Based on the Proxy Agreement concluded at First Basic Court under certification number II 3814 on June 2<sup>nd</sup>, 2010, and Annex 1 of the Proxy Agreement concluded at First Basic Court in Belgrade under certification number II 4475/2010 on July 9<sup>th</sup>, 2010, by and between the Holding Company for Financial Engineering, Trade and Services «Fond Ineks – Intereksport» a.d. - in restructuring, Belgrade, as the Principal, and the Privatization Agency as the Proxy, the Privatization Agency is issuing the following:

**PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC BIDDING FOR PURCHASING THE REAL ESTATE OF THE ENTITY UNDERGOING PRIVATIZATION «FOND INEX INTEREXPORT» A.D. – IN RESTRUCTURING, BELGRADE**

**1. Subject of Sale**

Subject of Sale are the real estate of the Holding Company for Financing, Engineering, Trade and Services «Fond Ineks – Intereksport» a.d. - in restructuring, Belgrade (hereinafter referred to as: Fond) and that:

- A. Trade Building - Free shop at the border crossing Gradina, Dimitrovgrad**, with area of 668,00 m<sup>2</sup>, constructed on the cadastral parcel 2620/2 which is registered in the real estate proprietary sheet no. 241, Cadastral Municipality Bacevo on the surface area of 23a and 95 m<sup>2</sup> and which is owned by the socially-owned Company for International Business "Ineks Intereksport" a.d. (Inex Interexport joint-stock company) Belgrade, and the real estate is owned by the Holding Company for Financial Engineering, Trade and Services «Fond Ineks – Intereksport» a.d. - in restructuring, Belgrade, based on the legally valid Verdict of the Commercial Court in Belgrade no. XIII. R. 366/08 as of June 19<sup>th</sup>, 2008.
- B. Business real estate – free shop at the border crossing Djeneral Jankovic** – temporary real estate for carrying out free-shop selling activities, unregistered, constructed on the parcel number 331/2 Cadastral Municipality Kacanik on the state-owned land, surface area of 64 m<sup>2</sup>.
- C. Free shop at the border crossing Horgos, Subotica – real estate of the free customs zone sales** – temporary real estate surface of 106 m<sup>2</sup>, unregistered, constructed on the parcel number 3472 Cadastral Municipality Horgos on the state-owned land of surface area of 54 a and 45 m<sup>2</sup>.
- D. Commercial building – customs in Backi Breg, Sombor**, area of 161 m<sup>2</sup> constructed on cadastral parcel no. 1441 which is land registered in the real estate proprietary sheet no. 125 Cadastral Municipality Backi Breg on the land of surface area 23 a and 34 m<sup>2</sup> which land is owned by the socially-owned Holding Company for Financial Engineering, Trade and Services «Fond Ineks – Intereksport» a.d. Belgrade.
- E. Business real estate at the border crossing Mokranje, Negotin, and unregistered property of the Fond**, total area of 86,40 m<sup>2</sup> constructed on the cadastral parcel no. 6497/2, 6498/2 and 6499/2 registered in the proprietary sheet no. 3315 Cadastral Municipality Mokranje, which is a total socially-owned area of 2 a and 55 m<sup>2</sup> the user of which is the Fond.

**Real estate property referred to item 1 of this Public Invitation is offered for sale “as is”, without additional claims and without the possibility of individual purchase of the real estate included in the Subject of Sale of the item 1 hereof. The detailed description and specification of the real estate offered for sale are given within the documentation for public bidding (Sales Documentation).**

## **2. The Initial Price**

**The Initial Price** for the Subject of Sale at the public bidding amounts to **EUR 624,000.00** (six hundred twenty-four thousand euros).

Parties interested for the purchase of the Subject of Sale have to buy the Sales Documentation, pay a Deposit or submit the Bid Bond, submit the Application for participation and participate in the public bidding.

## **3. The Sales Documentation**

Participants in the process will be informed on details related to the sale of the real estate from Article 1 of this Public Invitation, within the Sales Documentation, which will be available from **July 19, 2010**.

Sales Documentation Fee is EUR 1,000.00 (one thousand euros) if the Participant is a foreign legal entity or an individual i.e. EUR 1,000.00 payable in RSD according to the median official exchange rate of the National Bank of Serbia on the invoicing date (if the Participant is a domestic legal entity or an individual).

The Agency hereby invites all interested parties to file a written request for purchasing the Sales Documentation for the Subject of Sale not later than by **September 08, 2010**.

The written request for purchase of the Sales Documentation is to be submitted by mail, e-mail or fax, to the address stated below, with clear reference «Request for purchasing the Sales Documentation – Sale Code **GRA 170910**». Upon receiving the request, an invoice for payment of the Sales Documentation Fee, shall be forwarded to the Participant’s authorized representative by mail or fax.

Upon receipt of the evidence of payment of the Sale Documentation Fee, the Agency shall hand in the relevant Sales Documentation to Participant or its authorized representative. The Sales Documentation is to be collected at the address: Privatization Agency, Centre for Auctions and Compulsory Liquidation, Terazije Street 23, 11000 Belgrade.

The Agency is not responsible for any loss or delay that may occur in the delivery of any document.

## **4. Visit to the Subject of Sale**

The Participants may visit the Subject of Sale in the period **from July 16, 2010 until September 9, 2010**.

## **5. Deposit or the Bid Bond**

The Participants are obliged to pay the deposit amounting to **EUR 125,000.00** (one hundred twenty-five thousand euros) or to submit the Bid Bond to the same amount, at the latest until **September 09, 2010**.

## **6. Application for Participation in Public Bidding**

Deadline for submission of a written application for participation in Public bidding is **September 09, 2010**, at **16:30** (Belgrade time).

## **7. Right to Participate in Public Bidding**

The right to participate in public bidding has a legal entity or an individual which has:

- a) purchased the Sales Documentation;
- b) paid the Deposit or submitted the Bid Bond, and
- c) 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") that fulfils the above stated conditions. One of the Consortium members, i.e. the person authorized by the Consortium, has to be determined to represent a Consortium ("Authorized representative of the Consortium") and to act in the name and for the account of the Consortium.

Buyer of the real estate 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 a Consortium) has the right to submit the application for participation in public bidding also if its parent company has purchased the Sales 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 Sales Documentation.

## **8. Public Bidding**

**Public bidding** will be held on **September 17, 2010 at 11 hours** (Belgrade time), at the following address: **Privatization Agency, Terazije St. 23, 2nd floor, Belgrade**.

## 9. Questions and Additional Clarifications

All inquiries relating this Public Invitation should be directed to the contact persons at the address bellow:

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The Agency reserves the right to change dates, deadlines and/or conditions from this Public Invitation, and shall bear no liability for possible costs or damages to the Participants, which such changes might have caused.

Regarding the Amendments of the Public Invitation, potential participants will be notified no later than by the public bidding date by publishing such amendments on the website of the Privatization Agency and/or in the daily newspaper "Politika".