

Based on the Restructuring Program of Company "Generalexport" d.p. in restructuring Belgrade and Proxy Agreement executed at Second Municipal Court under II/1 ref. no. 2484/08, by and between Company «Generalexport» d.p. in restructuring, Belgrade, as the Principal, and the Privatization Agency as the Proxy, Privatization Agency is issuing the following:

**PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC BIDDING FOR PURCHASING THE
"GENEX TOWER" ASSETS OWNED BY «GENERALEXPORT» D.P. –
IN RESTRUCTURING, BELGRADE**

Sale Code: R-060910-3276p

1. Subject of Sale

Subject of Sale are the "Genex Tower" assets which comprise:

- Immovable property of Company "Generalexport" d.p. in restructuring Belgrade (hereinafter: Seller):

Commercial building in Belgrade, Narodnih Heroja Street no. 43, GF+M+38, consisting of the ground level, the mezzanine and 38 storeys with a total area of 15,879.95m², on Cadastre lot 1196, list of immovable property no. 3538, Cadastre Municipality New Belgrade, with the right of use of 6a of construction land underneath the building.

Garage in Belgrade, Narodnih Heroja Street no.43, total area of 6,445m², on Cadastre lot 1173/2, list of immovable property no. 3141, Cadastre Municipality New Belgrade, with the right of use of 90a 23m² of construction land underneath the building

Adapted commercial space located in the attic of Residential Tower in Belgrade, Narodnih Heroja Street no.41a and 41b, with the area of 216,63m² on Cadastre lot 1194, Cadastre Municipality New Belgrade

- Movable assets according to the list in the Sales Documents.

Detailed description and specification of the immovable property and equipment offered for sale is the integral part of the bidding documents (Sales Documents). Immovable property and equipment are offered for sale on an "as is" basis, without possibility for subsequent shortage claims.

2. Sale Conditions

Opening price: EUR 15,600,000.00 (in words: EUR fifteen millions six hundred thousand)
(opening price for immovable property is 98.5692% of the Opening Price for the Subject of Sale that is EUR 15,376,795.3; whereas the opening price for equipment is 1.4308% of the Opening Price for the Subject of Sale that is EUR 223.204,8)

Deposit: EUR 1,560,000.00 (in words: EUR one million five hundred sixty thousand)

Obligations of the buyer of the Subject of Sale are stipulated by the Sale and Purchase Agreement which is an integral part of the Sales Documents.

By signing the Sale and Purchase Agreement, the Buyer is committed to continue to employ 61 full-time employees who at the time of signing had been employed full-time by the Seller, according to the list that is an integral part of the Sales Documents.

By submitting an application for participation in public bidding, the Participant agrees to all terms and conditions contained in Instructions to Bidders and the Sale and Purchase Agreement which are the integral part of the Sales Documents.

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

3. Sales Documents

Sale Documents Fee is EUR 3,000.00 (three thousand euros) if the Participant is a foreign legal entity or individual i.e. EUR 3.000,00 payable in RSD according to the median official exchange rate of the National Bank of Serbia as at the invoicing date (if the Participant is a domestic legal entity or individual).

The Agency hereby invites all interested parties to file a written request for purchasing the Sales Documents, not later than by **August 26, 2010 at 16:30 (Belgrade time)**.

Sales Documents will be accessible from July 16, 2010.

The written request for purchase of the Sales Documents is delivered by e-mail or facsimile at the address below, clearly marked:

»Request for purchasing the Sales Documents – Sale Code **R-060910-3276p**«

Upon receiving the request, an invoice for payment of the Sales Documents Fee, shall be forwarded to the Tender Participant's authorized representative by e-mail or facsimile.

Upon receipt of the evidence of payment of the Sales Documents Fee, the Agency shall hand in the Sale Documents to the Participant or to its authorized representative, in person. Sales Documents can be obtained at the following address: **Privatization Agency, Centre for Auctions and Compulsory Liquidation, 23, Terazije (V floor), 11000 Belgrade, from 09:00 to 16:30, in the period from 16 July 2010 to 26 August 2010.**

The Agency shall not be held liable for any loss or delay that may occur in the delivery of any document.

4. Subject of Sale Site Visits

Participants may visit the Subject of Sale in the period from **July 16, 2010 to August 26, 2010.**

5. Deposit or the Bid Bond

Participant is obliged to pay a Deposit in the amount stated in Clause 2, or submit the Bid Bond in the same amount, not later than by **August 27, 2010.**

6. Application for participating in public bidding

Deadline for submitting the application for participation in public bidding is **August 27, 2010 at 16:30 hours Belgrade time.**

Applications are submitted to the Privatisation Agency in closed envelope and marked as follows:

“APPLICATION FOR THE PUBLIC BIDDING **R-060910**
PRIVATISATION AGENCY
CENTER FOR AUCTIONS AND COMPULSORY LIQUIDATIONS
23 TERAZIJE, V FLOOR, 11000 BELGRADE”

If the name of the Seller or the Company or the complete sale code is marked on the envelope, the bid will be rejected. The application is completed on a special form, which is an integral part of the Sales Documents and has to contain data given in Instruction to Bidders, evidence on the payment of deposit and the number of account for the return of deposit. Incomplete and late applications will not be considered. The Tender Committee will inform all bidders on the approval of their bids two days before the public bidding at the latest.

7. Eligibility

Participation at the public bidding is open to any domestic or foreign legal entity or individual that has:

- a) Purchased the Sales Documents,
- b) Paid the Deposit or submitted the Bid Bond for participation in public bidding and
- c) Submitted the application for participation in public bidding;

The right to participate in public bidding also 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 real estate cannot be: 1) a domestic legal entity which operates with majority socially-owned capital; 2) legal entity and individual which has due, but unsettled liabilities towards the Seller and/or the Company, 3) subsidiaries of the Seller, 4) a natural person, legal person or a legal person's founder with whom the Sale and Purchase Agreement was terminated due to non fulfillment of contractual obligations and 5) 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" 38/2001, 18/2003, 45/2005, 123/2007, 123/2007 – oth. law and 30/2010 – oth. law). Such applications shall be rejected without consideration.

The right to participate in the bidding belongs to each physical person or legal entity, with limitations listed in Instruction to Bidders, provided that it purchases the Sales Documents, submit the application for participation in public bidding and pays the deposit amounting to: **EUR 1.560.000** (one million five hundred and sixty thousand euros) or submits the first-class bank guarantee at the same amount in accordance with Instructions for Bidders.

In case a Bid Bond is submitted as the deposit for participation in the bidding, it has to be collectible within the 48-hour period from the declaration of the buyer in public bidding.

8. Public bidding

Public bidding will be held on **September 6, 2010, at 11:00**, at the following address: Privatisation Agency, no. 23, Terazije, Belgrade, Big Hall on the second floor. The registration of Participants in Public Bidding shall be held at the same address in the Small Hall, on September 6, 2010, from 09:00 to 10:50 hours.

The method of conducting the public bidding and concluding the Sale and Purchase Agreement is explained in detail in Instructions to Bidders.

All participants that were not declared buyers shall have back the deposit amount within the notice determined in Instructions to Bidders.

For the Participant who makes the highest bid first and is declared a buyer, the deposited amount shall be included in the purchase price, whereas it is obliged to pay the difference between the deposited amount and the purchase price on the account of the Privatisation Agency, in accordance with the provisions of the Sale and Purchase Agreement. Should the tender participant, whose bid was declared the highest, fail to sign the Sale and Purchase Agreement, the deposit shall be retained.

9. Questions and additional clarifications

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

BDO Business Advisory doo

**Uros Camilovic,
Manager**

11000 Belgrade 10, Knez Mihailova

Tel: + 381-11-3281-411

Fax: + 381-11-3281-808

E-mail: uros.camilovic@bdo.co.rs

**Privatisation Agency
Tender Centre**

**Marija Ilic,
Project Manager**

11000 Belgrade, 23, Terazije

Tel: + 381-11-3020-855

Fax: +381-11-3020-816

E-mail: marijailic@priv.rs

**Privatisation Agency
Centre for Auctions and
Compulsory Liquidation**

**Ivana Mihajlovic
Associate**

11000 Belgrade, 23, Terazije

Tel : +381-11-3020-804

Fax : +381-11-3020-881

E-mail: imihailovic@priv.rs

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 to Bidders.