

Based on Article 28 of the Law on Privatization ("Official Gazette of the RoS", Nos. 38/2001, 18/2003 and 45/2005)

**PRIVATIZATION AGENCY**  
(hereinafter: "Agency")  
issues this:

**PUBLIC INVITATION**  
**for participation in the public tender**  
**for sale 70% of the socially owned capital of:**

**DTD Kamenko Gagrcin AD, Sombor**

(hereinafter: "Entity undergoing privatization")

Tender Code: **DTDKG 28/07**

1. Total registered capital of the Entity undergoing privatization consists of 98.41% of the socially owned capital and 1.59% of the share capital.
2. The Agency is offering for sale 70% of the socially owned capital, i.e. 68.887% of the total registered capital of the Entity undergoing privatization, a company specialized in inland and international waterway transport of goods.
3. Information about the Entity undergoing privatization:

Address: Stuparski put bb, Sombor, Republic of Serbia  
Phone: +381(25) 25 874  
Fax: +381(25) 28 150  
Core Activity: Inland waterway transportation

More details about the Entity undergoing privatization are available at:

[http://www.priv.yu/pregled\\_preduzeca/pdf/e-teaser\\_1470.pdf](http://www.priv.yu/pregled_preduzeca/pdf/e-teaser_1470.pdf)

Detailed information about the Entity undergoing privatization, as well as the Instructions to Bidders (hereinafter: "Tender Documents") shall be available to all interested tender participants after signing of the Confidentiality Agreement and payment of the Tender Documents Fee.

The Tender Documents Fee is EUR 8,000.00 (Euro eight thousand).

The Agency has appointed Consortium consisting of: BPA London Limited, Great Britain, Tomić and Partners Law Office, Belgrade and MGI Revizija i računovodstvo, Belgrade, as the advisor in this privatization procedure (hereinafter: "Advisor").

4. A bid may be submitted by:

A. An interested bidder that fulfills the following conditions:

- it has purchased the Tender Documents, and
- it fulfills one of the following conditions:

a) it has been engaged in inland waterways transportation and/or services in river and lake transport for at least the last 3 consecutive business years, and achieved operating revenues of not less than EUR 10,000,000 (Euro ten million) in 2006;

**or**

b) is a financial investor (a legal entity whose core activity is investing money, which exists at least the last 3 business years and includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total assets in excess of EUR 50,000,000 (Euro fifty million) in 2006;

**or**

c) is an investor who achieved operating revenues in excess of EUR 20,000,000 (Euro twenty million) in 2006;

If an interested bidder is a parent company that does not fulfill conditions from this clause of the Public Invitation, its subsidiary has the right to submit the bid, if it fulfills these conditions. The subsidiary that fulfills above mentioned conditions has the right to submit the bid if the parent company purchased the Tender Documents.

If an interested bidder is a subsidiary that does not fulfill the conditions from this clause of the Public Invitation, its parent company has the right to submit the bid, if it fulfills these conditions. The parent company that fulfills above mentioned conditions has the right to submit the bid if the subsidiary purchased the Tender Documents.

B. If an interested bidder is a Consortium, it must cumulatively fulfill the following conditions:

- All Consortium members have passed the Decision on organizing and entering the Consortium,
- All Consortium members have concluded a written Consortium Agreement and certified it with the Court, i.e. other competent body (in case of foreign legal entities and natural persons),
- Each Consortium member assumed unlimited joint and several liability by the provisions of the Consortium Agreement,
- The Consortium Agreement specifies each member's percentage in the acquisition of the capital of the Entity undergoing privatization, provided that at least one Consortium Member has no less than 51% of share in the Consortium (hereinafter "Consortium Leader")
- All Consortium members have signed a certified Power of Attorney for the member representing the Consortium,
- All Consortium members have signed the Confidentiality Agreement,
- At least one member of the Consortium has purchased Tender Documents,
- The Consortium Leader fulfills one of the following conditions:

a) it has been engaged in inland waterways transportation and/or services in river and lake transport for at least the last 3 consecutive business years, and achieved operating revenues of not less than EUR 10,000,000 (Euro ten million) in 2006;

**or**

b) is a financial investor (a legal entity whose core activity is investing money, which exists at least the last 3 business years and includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total assets in excess of EUR 50,000,000 (Euro fifty million) in 2006;

**or**

c) is an investor who achieved operating revenues in excess of EUR 20,000,000 (Euro twenty million) in 2006;

5. The Agency hereby invites all parties interested in participating in the tender to submit a written request for purchasing the Tender Documents for the Entity undergoing privatization, no later than by **December 7, 2007**.

**Tender Documents will be available to interested parties from November 19, 2007.**

Written requests for purchasing the Tender Documents shall be submitted to the Advisor by mail, e-mail, or fax, clearly marked with "Request for Purchasing the Tender Documents – Tender Code: **DTDKG 28/07**".

Upon receipt of this request, an invoice for payment of the Tender Documents Fee, as well as the Confidentiality Agreement for signature, shall be forwarded to the applicant's authorized representative by mail, e-mail, or fax. The signed Confidentiality Agreement must be immediately faxed and mailed back to the Advisor at the address below.

Upon receipt of the signed Confidentiality Agreement, the proof of authorization for the person who signed the Confidentiality Agreement, and the proof of payment of the Tender Documents Fee, the Advisor shall, after the lapse of the deadline set out in Paragraph 2 of this Clause, deliver the Tender Documents to the tender participant by mail/e-mail or hand it to its authorized representative.

The Advisor and the Agency shall not be liable in case of loss or delay that may occur in delivery of any document.

6. The deadline for submitting final binding offers for purchasing 68.887% of the total registered capital of the Entity undergoing privatization by interested bidders is **December 21, 2007 at 4.30 p.m.** (Belgrade time).

If necessary, the Privatization Agency retains the right to change the terms and conditions of this Public Invitation. As a prerequisite for submitting a bid, it is required to pay deposit or to submit a Bid Bond in the amount of EUR 200,000 (Euro two hundred thousand).

7. For any questions pertaining to this Public Invitation, interested parties may contact persons listed below, in Serbian or English language.

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