

Based on the Proxy Agreement executed between Holding Company for finance engineering and services «Fond Ineks – Intereksport» a.d. u restrukturiranju Beograd, as the Principal, and the Privatization Agency as the Proxy, and the Proxy Agreement executed between the Company for Tourism and Trade «Ineks Hoteli» dp u restrukturiranju, Beograd, 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
IMMOVABLE PROPERTY AND EQUIPMENT OF
THE HOTEL AND TOURIST COMPLEX INEKS ZLATNA OBALA SUTOMORE**

**Sale Code:
IZO 09/08**

1. Subject of Sale

Subject of Sale are the following immovable property and equipment of the hotel and tourist complex Ineks Zlatna obala, Sutomore:

A. Buildings owned by HK Fond Ineks Intereksport a.d. Beograd:

- a) 13 buildings with the total surface of 5,692m², located on cadastre lot no. 2411, registered in the list of immovable property no. 1724 of the Real Estate Directorate Office Bar, Cadastre Municipality Sutomore;
- б) 51 buildings with the total surface of 8,200m², located on cadastre lot no. 2413, registered in the list of immovable property no. 1724 of the Real Estate Directorate Office Bar, Cadastre Municipality Sutomore;
- в) building registered in the list of immovable property no. 98 of the Real Estate Directorate Office Bar, Cadastre Municipality Sutomore, on the cadastre lot no. 2396 – garage with surface 405m²;

All buildings have relevant documents, construction and use permits.

Above stated buildings are located on the land with total surface of 3ha 76a 96m², registered in the list of immovable property no. 1724 of the Real Estate Directorate Office Bar, Cadastre Municipality Sutomore; with appropriate infrastructure necessary for unhindered functioning of the complex, which includes roads, parking areas, pedestrian paths, electrical installations, sewage, heating, and direct water supply from the Ratac spring;

B. Equipment, tools and inventories owned by the Company for Tourism and Trade «Ineks Hoteli» dp u restrukturiranju, Beograd, including the equipment for accommodation of guests, equipment for preparation of meals, communication equipment, office equipment, etc.

Detailed description and specification of the immovable property and equipment offered for sale is the integral part of the bidding documents (Sale Documents).

Immovable and movable property are offered for sale free of liens, as seen, without possibility for subsequent shortage claims.

Buyer of hotel and tourist complex Ineks Zlatna obala, Sutomore will be obliged to give full-time employment to 60 (sixty) workers employed in this part of the working process and to accept the minimum social program.

2. Opening price for the subject of sale by public bidding is **EUR 23,500,000 (twenty three million five hundred thousand euros)**.

3. Sale Documents

Sale Documents Fee is **8,000 EUR** (eight thousand euros).

Agency is hereby inviting all interested parties to submit a written request for purchasing the Sale Document not later than **November 3, 2008**.

A written request for purchasing the Sale Documents shall be submitted to the address below, by mail, e-mail or facsimile, clearly marked with "Request for purchasing the Sale Documents – Sale Code: **IZO 09/08**". Upon receiving the request for purchasing the Sale Documents, an invoice for payment of the Sale Documents Fee and the Confidentiality Agreement for signature, shall be forwarded to the interested party's authorized representative by mail, e-mail or facsimile.

Duly signed Confidentiality Agreement shall be immediately faxed and mailed back to the Agency to the addresses below.

Upon receipt of the signed Confidentiality Agreement, evidence of the power of attorney for the person who signed the Confidentiality Agreement, and evidence of payment of the Sale Documents Fee, the Agency shall send the relevant Sale Documents to the Participant by mail/e-mail, or hand it to its authorized representative.

Detailed information on the procedure for sale of immovable property and equipment of hotel and tourist complex Ineks Zlatna obala, Sutomore, will be provided to the participants in this process within the Sale Documents that will be made available to interested parties as of September 22, 2008.

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

4. Site Visits

Participants may visit the subject of sale **from September 22, 2008 until November 7, 2008**.

5. Bid Bond

Participants are obliged to submit a **bank guarantee** in the amount of **4.500.000 EUR** (four million five hundred thousand euros) or to pay the deposit in the same amount, not later than **November 07, 2008**.

6. Application for participating in the public bidding

Deadline for submitting application for participation in the public bidding is **November 7, 2008 at 16:30 hours Belgrade time**.

7. Eligibility

7.1. Participation at the public bidding is open to any legal entity or natural person that has:

- a) Purchased the Sale Documents

and

- b) Submitted the bank guarantee and application for participation in the public bidding, in line with the Sale Documents

7.2. A Consortium also has the right to participate in the public bidding, if it fulfils all of the following requirements:

- all Consortium members have made the decision on organizing and entering into the Consortium;
- all Consortium members have signed a written Consortium Agreement and duly notarized it at court, or other competent authority (in case of foreign legal entity or natural person);
- by provisions of the Consortium Agreement, each Consortium member assumes unlimited joint and several liability for fulfillment of the obligations under the Sale and Purchase Agreement;
- the Consortium Agreement specifies each member's share expressed in percentage;
- all Consortium members have signed a notarized power of attorney for the representing member of the Consortium;
- all Consortium members have signed the Confidentiality Agreement;
- at least one consortium member has purchased the Sale Documents;
- Consortium has submitted the bank guarantee and the application for participation in the public bidding, in line with the Sale Documents.

Subsidiary Company (whether acting individually or as a Consortium member) has the right to submit application for participating in the public bidding if its Parent Company has purchased the Sale Documents. In addition, the Parent Company (whether acting individually or as a Consortium member) has the right to submit application for participating in the public bidding if the Subsidiary Company has purchased the Sale Documents.

8. The public bidding shall take place on **November 14, 2008 at 11:00 hours** Belgrade time, at the following address: **Privatization Agency, Terazije 23, 2nd Floor, Belgrade.**

9. The Agency reserves the right to change dates, deadlines and/or conditions of this Announcement, and shall not be held liable for any costs or damages that the Participants may have suffered with respect to such changes.

Questions and Clarifications

Any question pertaining to this announcement should be directed to the contact persons at the following address:

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