

GOVERNMENT OF MONTENEGRO
COUNCIL FOR PRIVATIZATION AND CAPITAL PROJECTS



Tender Commission for privatization hereby announces the:

PUBLIC INVITATION

for participation on the public tender ("**The Tender**") for the sale of 50.7532% of share capital expressed through 197,811 shares in the company:

CHEMICAL INDUSTRY "POLIEX" A.D.- BERANE

1. The subject of this tender is the sale of 50.7532% of the share capital in the Company Chemical Industry "Poliex" A.D.- Berane (the „**Company**“ or the "**Poliex AD**").

The share capital that is subject of sale is owned by the Government of Montenegro (26,65% or 103,878 shares), the State of Montenegro (19,75% or 76,987 shares) and Fund for indemnity (4,35% or 16,946 shares).

2. Details about the Company

The Company is a Joint Stock Company founded and existing in accordance with the Montenegrin legislation, and registered with the Central Register of the Commercial Entities under the registration file no: 40000546, with a total registered capital of EUR 2,215,539.56 in nominal, divided into 389,751 of ordinary shares. The nominal value of each share is EUR 5.6845.

Company Registration Number: 02035057

Identification number of the core activity of the Company: 2051, core business production of explosives.

More detailed information regarding the Company is provided in the Tender documents that will be available to the Tender participants upon signing the Confidentiality Statement and purchasing the Tender Documents.

3. Participation in the Tender shall be allowed to the interested parties (including consortiums) who have purchased the Tender Documents and signed the Confidentiality Statement, in accordance with sections 7 and 8 of this Public Invitation ("**The Tender Participant**").
4. A Bid on the Tender may be submitted by a Tender Participant, provided that it fulfills one of the following criteria:
 - (i) it has experience in its core business activity of production of economic and military explosives for minimum period of last 5 (five) years, that precede this Public Invitation;
or

- (ii) it had a total revenue of at least 7,000,000 EUR (*seven million EUR*) in last business year (2013) that precedes this Public Invitation, and has letter of intention or signed agreement for management with company that fulfills criteria under 4. (i) above.

(separately “**Qualification Requirement**” and together “**Qualification Requirements**”.

A Tender Participant that is directly owned (with 100% ownership) by an entity that fulfills the Qualification Requirements is also entitled to submit a Bid.

Fulfillment of the Qualification Requirements shall be examined following to the receipt and opening of the Bid packages.

Documentation that must be submitted as evidence of the fulfillment of the Qualification Requirements shall be determined in the Tender Documents, which will be delivered to the Tender Participants in accordance with sections 7. and 8.

- 5. The Tender Participant that purchased the Tender Documents, may form a consortium with other entities, and such consortium may submit a bid under the condition that at least one consortium member fulfills at least one of the Qualification Requirements.

The Consortium Agreement must contain, inter alia, provisions that clearly and unequivocally stipulate and define unlimited joint and several liability of all members of the consortium for the obligations arising from the Bid, the Tender and the Sale and Purchase Agreement.

- 6. The Tender Participant is to submit its Bid in accordance with the regulations and procedures stipulated in the Instructions to Bidders that are contained in the Tender Documents.
- 7. The Tender Commission for privatization (the “Tender Commission”), hereby invites interested parties to submit a written request to purchase the Tender Documents (“**The Request**”) that should be clearly entitled “The Request for Purchase of the Tender documents”.
- 8. Upon receiving the Request, the Secretary of the Tender Commission will provide interested parties with instructions for the payment of the fee for the tender documents (“**The Tender Documents Fee**”) in the amount of 5,000 EUR (*five thousand EUR*) by mail, e-mail or fax, as well as with the Confidentiality Statement. The Tender Participants shall, without delay, return duly signed Confidentiality Statement to the Secretary of the Tender Commission and pay the Tender Documents Fee.

Immediately upon receiving a duly signed Confidentiality Statement and confirmation from the Council for Privatization and Capital Projects that the Tender Documents Fee has been paid, the Advisor shall provide the Tender Participants with the tender documents, by e-mail. The Tender participant is obliged to submit a written confirmation of a receipt of the Tender Documents to the Secretary of the Tender Commission.

- 9. The Tender Participant will be provided with the opportunity to visit the Company and to access the Data Room upon agreement with the Advisor.
- 10. A Bid on the Tender must be submitted in accordance with the rules and procedure prescribed in the Tender Documents, and such Bid must arrive at the address of the Tender Commission not later than **October 30, 2014 at 12:00 pm** (local time), at the latest. The Tender Commission reserves the right to amend this deadline if needed.
- 11. Along with submission of its Bid, a Bidder must pay a Deposit or submit a Bid Bond in favor of the Council for Privatization and Capital Projects, in the amount of EUR 200,000 (*two hundred thousand Euro*), in the form of an unconditional and on-demand bank guarantee, issued by a bank with at least BBB credit rating, according to the Standard and Poor's Agency, or by a bank

approved by the Tender Commission in its sole discretion, upon previously submitted written request by the Tender Participant.

12. A Bidder with whom the sale and purchase agreement will be signed shall be obliged to pay the amount of the purchase price in cash, within the deadline determined in the Sale and Purchase Agreement.
13. The Tender Commission reserves the right to amend the particular provisions from this Public Invitation including deadlines.
14. All inquiries relating to this Public Invitation, interested parties should address to the Tender Commission and the Advisor at the following addresses:

TENDER COMMISSION	ADVISOR
<p>Mr. Branko Vujović, President Tender Commission for privatization</p> <p>Moskovska 17/A, M/C1 81000 Podgorica, Montenegro tel: +382 20 235 565; fax: +382 20 513 503;</p> <p>Attn. Mrs. Ivana Šaranović Jovičević, Secretary of the Tender Commission e-mail: ivana.saranovic@ano.co.me</p>	<p>Advokatska kancelarija Zorica Đukanović</p> <p>Moskovska 13, III/23 81000 Podgorica, Montenegro Tel. +382 20 205 540; Fax: +382 20 205 541;</p> <p>Attn. Mrs. Zorica Đukanović, Attorney at law , Advisor e-mail: ak-zorica.djukanovic@t-com.me</p>